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№ 47 NOVEMBER 1992

NEW TIMES

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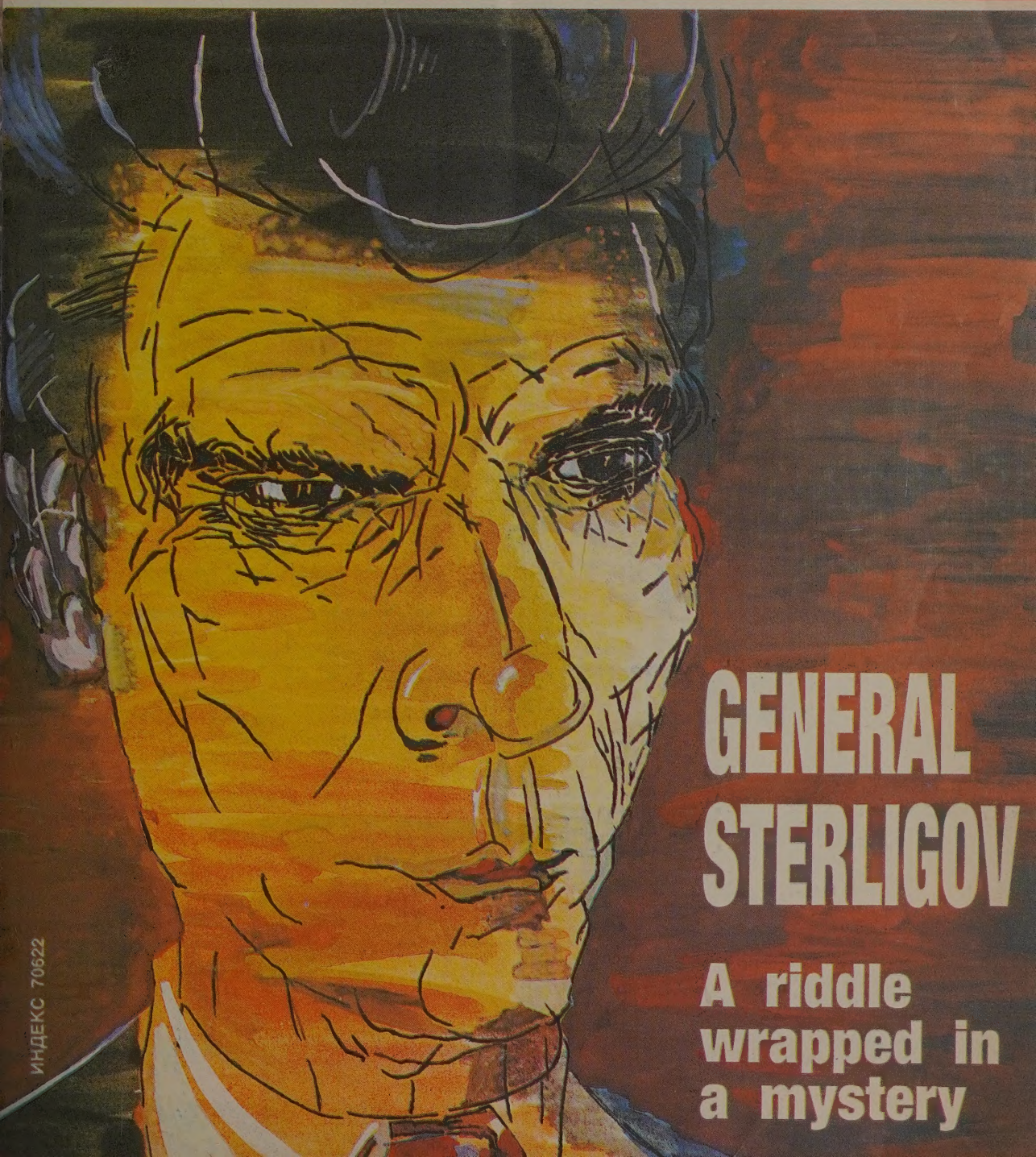

GENERAL STERLIGOV

A riddle wrapped in a mystery

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The frontier is still tightly protected against smugglers. But whose frontier?

Cover drawing by Yuri Buldakov

Russia's lost priorities

I have the impression that Russia is decidedly shifting to the West. At present, unfortunately, relations with India are not a top-priority matter for Moscow. During my trip to Russia a short while ago I saw for myself that most high officials in the administration are guided by the desire to follow the West's example in every sphere and to fully use the opportunities of access to Western civilization.

The truth is, however, that, as distinct from Moscow's relations with most Third World nations, the former Indian-Soviet relations were never a one-way street. Our countries had mutually beneficial relations. Regrettably, they are being eroded. Moscow argues that there is no sense in delivering oil to India on special terms when it can be sold for hard currency. Russia will then be able to buy tea and other essential goods previously imported from India in other countries.

It is a short-sighted approach. Moscow's attitude to India will change only if the Yeltsin administration realizes a basic truth: the government must lay emphasis on the expansion of mutually beneficial trade relations with India. This will give Russia what it will never get from the West.

K.Singh,
businessman, New Delhi
India

No to the empire

I think it is still early for Russia's democratic forces to rest on their laurels. The August 1991 victory did not force the reactionaries out of the political scene. Though the emergency-rule clique was disgraced, rank and file conservatives remained untouched and continue to act with impunity.

The danger comes from the growing coalition opposed to Yeltsin and his reform policy. It consists mainly of newly-style Russian chauvinists and incorrigible Communists and finds sympathy not only among the discontented people in the provinces but also in the higher echelon of power. The aim of the opposition is to topple President Yeltsin and Yegor Gaidar, the main architect of reforms. A similar situation existed in our country. As the socio-economic situation deteriorates the opposition draws into its ranks many dissatisfied people, intellectuals, Russian refugees from the immediate abroad, demobilized men and officers who served abroad, and tens of thousands of former party officials.

The reactionaries opposed to Yeltsin call for the establishment of a commonwealth under Russian domination, for a revival of the empire, and for an expansion of the Russian sphere of influence. I consider it my duty to warn you of this danger which is by no means imaginary.

Michial Sigal,
librarian, Haifa,
Israel

Back to the Brezhnev days?

I am writing this letter at Sheremetievo airport, where I am waiting for my plane.

There is a danger of a return to the Brezhnev times. This opinion is held by many diplomats and journalists with whom I talked during my stay in Moscow. Such fears are engendered by recent actions by officials close to President Yeltsin. As distinct from top officials of the Gorbachev administration who easily agreed to give an interview, the members of the Yeltsin administration have created a solid barrier around themselves. It appears that a wall is being consciously erected between the Kremlin and the outside world. I could mention in this connection the presidential decree on confiscation of the property of the research foundation which Gorbachev, now out of big-time politics, used as the basis for his public activities. It is clear that such a reprimand stems from his growing criticism of the government. Such actions remind one of the style of the former Communist Party of the Soviet Union.

Marianne Lichtenberg
Sheremetievo airport,
Moscow

Moscow's "shadow"

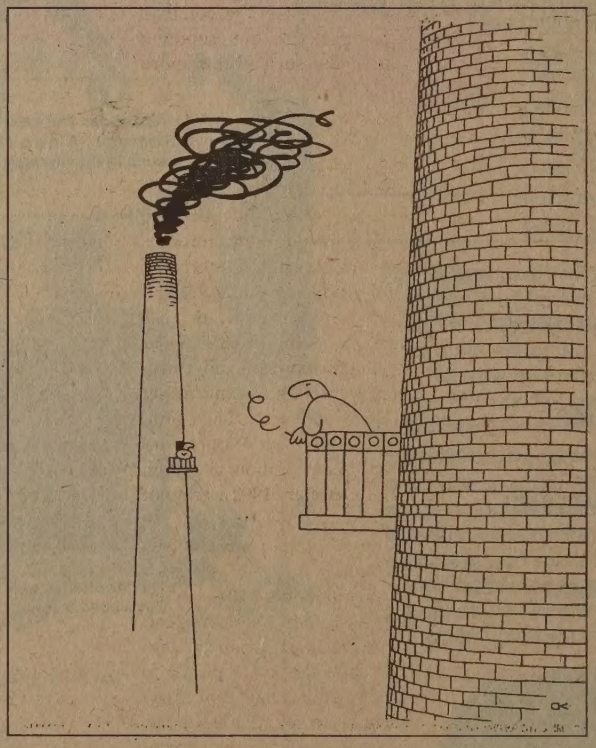
The entire world sees that Moscow's shadow hangs over the newly independent Moslem states. In spite of their liberation from the 70-year communist yoke the Central Asian peoples will hardly win genuine independence unless Russia understands that the years of its domination are over. Internal tension is on the rise in these republics. Frankly speaking, the events in some regions, Tajikistan included, have been provoked by Moscow's policy of interference.

The events now taking place in the Moslem republics in the former USSR are very much reminiscent of events in Bosnia, where Serbs are killing defenceless Moslems. This is borne out by the situation not only in Tajikistan but also in Nagorny Karabakh and Abkhazia. Unable to solve domestic problems, certain forces in the Kremlin seem to cherish hopes of re-establishing the Russian empire by using for this purpose the Russian-speaking population in the newly independent states.

Russian neo-colonialism will not succeed because the peoples of Central Asia and Transcaucasia are fully determined to achieve genuine independence. Nor will the West be able to realize its designs. Through Turkey it has started a real cultural and economic offensive in an attempt to gain what Russia failed to over the 70 years of its domination.

Mustafa Jebril,
student, Aleppo,
Syria

THE WAY I SEE IT



Drawing by Sergei Kapriy

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Moscow is looking for the sense in cooperating with the West, so far to no avail

President Boris Yeltsin's pompous visit to Great Britain has created a lot of problems for pro-government journalists, and all because of their traditional approach to the profession, which they can't shed. For some unknown reason everyone tries to emphasize the political and economic aspects of the official visit and its practical implications for the Russian people. Since these steadily grow more and more scarce, the vacuum is filled with such phraseology as "a historic milestone" and "profound historical significance." In the case of Boris Yeltsin's visit to Great Britain, his speech in British Parliament and the reception in Buckingham Palace were interpreted as such "milestones of historic significance." This, however, proved insufficient for his visit to be engraved in the memory of Russians – three days after its completion 70 percent of those polled confessed that they knew nothing about Yeltsin having left the country. Thus a new challenge for the supreme leadership: how to make such events more memorable and effective.

But what are the practical results of partnership with the West? Russia joined the sanctions against Iraq, expedited two battleships to the Gulf, and everyone expected that the USA would in exchange open to Russia the long-desired entrance into the tempting market and a source of credits, i.e. the oil-producing Emirates and the Saudi Kingdom. However, so far there is nothing but discussions – the process is delayed by the rivalling American and European arms dealers who don't want to let Russian merchandise compete in the region. No better is the situation with Western investments which are scarce (about 1 billion dollars by the 1st of October, 1992), and not only because Western businessmen are afraid to take risks. In the case of investments in large projects, Russia's and the Wests's interests become incompatible. Russian industrialists would like their Western colleagues to invest in the most advanced processing industries, while the latter prefer to develop Russia's raw-materials industry. This only stands to reason for they need raw materials and not contenders on the market of technology and equipment. However, the Russian side can't be satisfied with the role of a raw-materials sandbox.

On the other hand, the opposers of partnership with the West find new arguments every day. Even more than that, they have solid financial backing which is much more convincing than any philosophizing about common European interests and the return to world civilization. Take, for instance, the sanctions against Iraq. Russia's losses here are greater than of any other country. Baghdad stopped paying its $7 billion debt to Russia, Russian arms were denied a very profitable market, Russian international economic agencies lost profitable deals connected with the mining and processing of Iraqi oil, and Russian experts, civil and military alike, lost their dollar-paying jobs. The other "concert with the West" played by Moscow was the sanctions against Libya that cost Russia, according to most modest assessments, $4 billion. One can only imagine how the advocates of Westward thinking would look in the dispute with their opponents on these matters!

Today not only the latter doubt the correctness of the current political course. The theme of "Russia's great-power status," discernible in the President's and the Prime Minister's recent speeches, heralds its possible revision. What will this revision bring about and how will it effect Russia's domestic and foreign policies? In any event, no partnership will be possible on the basis of Moscow's unilateral capitulation. The problem is what sort of "freedom of hands" the West is prepared to recognize for Russia and whether this "freedom" is going to be extended to the preservation of relations with the Kremlin's old partners whenever this proves profitable. If the West doesn't recognize such freedom, the situation will aggravate still further and "the issue of partnership" may end up in a new confrontation.

Vladimir Kulistikov

THIS WEEK

■ The situation in the state of emergency zone on the territory of the North Ossetian and Ingush republics remains tense. The movement of armed groups was recorded in a number of areas. No manoeuvres nor firing, however, were reported.

Vice-Premier Sergei Shakhrai, who was appointed head of the provisional administration in the North Ossetian and Ingush republics, met with Ruslan Aushev, an authorized representative of the provisional administration in the Ingush Republic, and North Ossetian Premier Sergei Khetagurov. He also took part in a meeting of North Ossetia's Security Council.

North Caucasus. Mourning over innocent victims

Ruslan Aushev is reported to have made several suggestions for removing tension and carrying out agreements reached during the stay of Acting Premier Gaidar in the conflict zone. In particular, he said that the Russian and Chechen troops should be moved five to seven kilometres back from the conventional frontier line between the Chechen and Ingush republics, because the danger of unforeseen clashes increases the closer they are to one another. Gen. Aslanbek Aslakhanov, Chairman of the Russian Parliament's Committee on Legality, Law and Order and Struggle Against Crime, also made his contribution to peacemaking efforts by taking part in talks between Ingush and Chechen officials.

■ Chechen President Djokhar Dudayev has declared a state of emergency in his republic. Under another presidential decree, a common mobilization system is to be set up. It envisages the organization of self-defence in towns and villages. A curfew, lasting from 22 p.m. to 6 a.m., has also been imposed. The Chechen leader, speaking over the local television, urged the population "to rise in defence of the independence of the republic."

The Chechen parliament also accused Russia of aggression against the republic. In a statement adopted in connection with the entry of Russian troops in the Ingush Republic it is alleged that the Sunzheny District and a part of the Malgobek District "have never been Ingush territory, they are a primordial Chechen territory." The parliament demanded that Russia withdraw its troops from the areas which always belonged to the Chechens.

■ A meeting of the Commonwealth's heads of governments, which took place in the President Hotel in Moscow, was held in record time. It was attended by plenipotentiary delegations from ten countries of the Commonwealth. Azerbaijan sent an observer. A Georgian delegation was absent.

There were 18 points on the agenda. It took the premiers only 90 minutes to adopt decisions on 14 of them. The delegations approved, without argument, the proposals for keeping the unity of armed forces, in particular, the training of military personnel, the production of combat equipment, and the maintenance of frontier guards.

No agreement was reached on the key question, namely, a Charter for the Commonwealth. It turned out that some delegations favoured the idea of establishing a Commonwealth from among the states which signed the collective security treaty in Tashkent. Other delegations came out against a firm linkage of states to the Commonwealth with the inevitable alienation from it of states which are not prepared to accept rigid relations. The status of associate membership or invited states will apparently be introduced. A final decision will be made by the Commonwealth's heads of states at their meeting in Minsk. The meeting of the heads of governments lasted three hours.

■ The approaching Congress of People's Deputies of Russia compels the parliament to quicken the pace of its work, even to the detriment of quality. For instance, a noisy scandal broke out when the bill on the government was discussed. Many deputies claimed there was no quorum and some legislators voted simultaneously for several of their absent colleagues. Their patience was exhausted when an employee of the parliament's staff was noticed among the voting members of parliament.

However, a demand for cancelling the voting results was turned down. The lawmakers agreed to vote again only on those articles of the bill in which a non-deputy voted. But the second voting did not change the results. Thus, it can be said that the first ten main articles of the bill on the government have been finally approved. They place the government under full control of the parliament.

■ Over a million signatures have been collected in Russia in favour of holding a referendum on the question of private ownership of land. This is more than needed under the law on referendums. Under the same law, people's deputies have the right to check these figures within a month, and by December 18, the parliament must set a date for holding a national poll. A referendum can be organized only four months after that. The stumbling block between the advocates and opponents of private ownership of land is the right to buy and sell plots of land. The opponents of free trade of land argue that it will inevitably be accompanied by bribes, corruption and even violence. There are evident grounds for such an assertion. After a recent "experimental" auction for the sale of land in the Ramenskoye District near Moscow, the police discovered several cut-off heads of unlucky competitors in the race to buy land.

The requirements needed for holding a referendum on land have been met in good time

■ A Congress of the Union of Industrialists and Entrepreneurs was held in Moscow. The President and cabinet ministers took part in its work. The congress brought together major industrialists with the aim of adopting a program for a way out of the crisis, acquainting the government with their vision of further re-

forms, and finding, jointly with it, an optimal way of making Russia a land of "rich without poor." In his speech, made in a conciliatory and goodwill tone, President Yeltsin described the managers gathered at the congress as "a pillar which neither the President nor the government can do without."

Nonetheless, the congress didn't go far in removing the differences between the industrialists and the government. In its program the union insists on a regulated transition to a market economy, while the government regards this as the managers' nostalgic desire for the command system of yore. The government is strongly against "regulation," seeing in it an anti-market and anti-reform trend. There are also differences in the positions of the government and the managers on the question of freezing prices and regulating wages. The congress decided that the experts on both sides of the fence are to meet to discuss these existing problems and remove differences within three days. According to Arkady Volsky, the union wants its program and the programs of the government and the parliament to be combined into a common document and presented to the Congress of People's Deputies.

■ The presidium of the parliament and the government in Tajikistan have made public a joint statement on their resignation. The document says that this step was made in an attempt to restore peace and a quiet constructive life to the Tajik people. A part of the population, the presidium and the government point out, do not recognize the present authorities of the republic. It considers them unlawful, not submitting to them. As a result, the flames of civil war in different areas of Tajikistan are heating up and aggravating the socio-political situation.

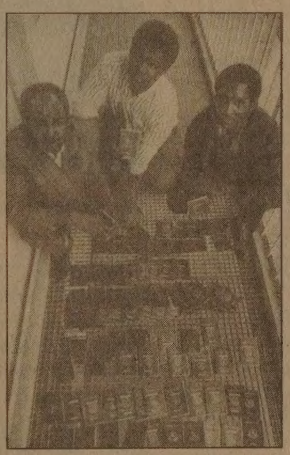
It is generally recognized that the parliament remains today the only lawfully elected authority. The statement notes further that the parliament must decide the question of a new composition of its presidium and the government with the aim of clinching the argument over their constitutionality and authority.

■ A second round of parliamentary elections took place in Lithuania. The Democratic Party of Labour (former independent Communist Party of Lithuania), led by Algirdas Brazauskas, consolidated the success won by it in the first round. Its candidates ran in 53 out of 61 districts and gained a majority in 32 of them.

■ Sixty-one Somalian refugees, who stayed at the Sheremetievo-2 airport for over a month, have finally been moved from the frontier zone of the airport to its hotel.

Civil war, famine and chaos in Somalia forced thousands of people to flee abroad. However, most industrial countries are not inclined to receive and provide accommodation for new immigrants. Refugees have no other option but to acquire fake passports for Western countries in the hope of finding work there.

Somalian citizens flew to Moscow by Aeroflot planes from different countries of Africa. Vigilant frontier guards established that 51 Somalian transit passengers had fake Swedish passports and ten did not have any documents at all.

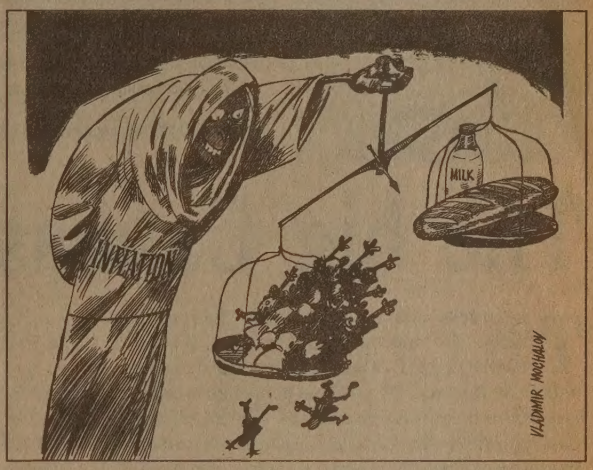


Somalians at Sheremetievo airport. Fake passports to a fake haven

Confusion lasted for more than a month. Finally, the frontier guards of Sheremetievo-2 were allowed to let the refugees through their posts by issuing special certificates to them. At the same time the frontier zone of the Sheremetievo airport had to be widened up to the seventh floor because formally the Somalians are not permitted to cross the Russian border.

■ The US market for brides is experiencing a boom created by a new supply source – the republics of the former USSR. In the past, brides from such exotic countries as the Philippines, Korea and China enjoyed particular success among Americans. Today young women from the Commonwealth of Independent States are most popular in the United States. American newspapers report that Ukrainian women are in particular demand. During trips to Russia, organized by the marriage bureaus, fastidious American grooms meet with dozens of potential brides all in the course of an evening. Last year, over 100 brides arrived in New York from the Commonwealth of Independent States. This isn't to say that they all lived happily ever after.

CARTOON OF THE WEEK



Drawing by Vladimir Mochalov

Quotations of the week

"Under conditions of an uncontrolled growth in alcohol consumption in Russia, coupled with the consequent deterioration in people's health, there can be no talk of effectively implementing reforms in this country."

From a report by the Interregional Medical Association of Russia

"What is good for Konstantin Borovoi is good for Russia."

A remark by ***Gavriil Popov,*** Chairman of the Russian Movement for Democratic Reforms, about the head of the Russian Commodity and Raw Materials Exchange

The author of this article, Ayaz Mutalibov, ex-President of Azerbaijan, has been declared a wanted criminal by the Azerbaijanian Procurator's Office which called him one of the main perpetrators of the Baku tragedy in 1990.

However, it is useless to seek him out in Azerbaijan. He resides now in Russia and this is hardly a secret for anyone.

The article was forwarded to our magazine via his friends and deals with the prospects of setting the Karabakh crisis.

The Editors publish the article without deletions, for they do not censor the toppled Presidents.

The big Caucasian cauldron

The weeks and months of the Azerbaijan drama are now running into years. I keep vivid memories of it all: of the tragical events in Baku in January 1990; of what happened in Sumgait before that; of Azerbaijanians' expulsion from Armenia still earlier; of Nagorny Karabakh turning from a land of peaceful cooperation between Azerbaijanians and Armenians into a zone of endless and ever broadening hostilities.

I am sure that in time, Baku and Yerevan historians and political scientists will ascertain by a joint effort who is to blame for blasting peace between the two nations, when and how it happened, who plunged Azerbaijanians and Armenians into the inferno where reason and good will are asleep while feud, hatred, frenzied nationalism and political egoism reign supreme. The truth they will find out is going to come as a shock to all, but also as a catharsis.

The most important thing to do now is to put an end to the war in Karabakh. History alone will tell who is right, and who is wrong. I have the horrible feeling that the people in my country and in Armenia have got used to, and come to reconcile themselves with, that senseless war which neither side can possibly win.

Ethnic conflicts breed immoral politicians, the overthrown President believes

The Karabakh war is sinking into oblivion, but it has

Breaking out of the "encirclement"

I have been away from Azerbaijan for over half a year. At the end of 1991 I was elected President of the Republic. In March 1992, I resigned from that post; in May 1992, the Supreme Soviet talked me into resuming office – and two or three days later I was compelled to leave Azerbaijan.

In March and in May I realized full well that confrontation with the opposition threatened to shatter, any moment, the civil peace, precarious as it was, and to explode into chaotic violence with all the ensuing consequences for my country. The opposition rejected all offers of a dialogue. It preferred to take to the streets. That was not my idea of political action, I had no intention to hit back on the "tit-for-tat" principle. I just could not resign to the prospect – which was imminent – of Azerbaijanians killing Azerbaijanians, of a generous and hospitable Azerbaijan becoming a land of wholesale malice and hate.

I am not exaggerating. Here is a small illustration. After the turbulent Supreme Soviet session in the night of May 15/16, I left Baku, under presidential escort, for an official out-of-town residence. Upon our arrival there I saw, in the beams of head-

lights, that the entrance was blocked by a group of servicemen wearing national army uniforms.

That confirmed my suspicions that the Rubicon had been crossed; the opposition forces were prepared to go to any lengths.

I did not fall into the trap then thanks to those who in those dramatic hours were by my side and helped me to break out of the "encirclement." I found myself in a forced emigration dragging out for months and months. I am certainly missing home, but far be it from me to dwell at length on my feelings or to point an accusing finger (I am not much of a public prosecutor) at the present leaders of Azerbaijan the independence of which I have contributed to in my own small way.

Neither am I going to try and justify every

lasted for nearly five years

political and economic decision made at the time when I was First Secretary of the Central Committee of the Communist Party of Azerbaijan and, later, President of the Republic. My colleagues and I might have not made full use of the chances we had of achieving reasonable compromises within Azerbaijanian society and with our neighbours.

I must say that I had worked in the sphere of industrial management before they elected me the leader of the Republic's Party organization in January 1990, when Baku and the whole of Azerbaijan mourned its innocent young in the wake of the Soviet Army units' entry into Baku.

Our former common home

I am following closely reports from various quarters on the measures taken of late to silence the guns in Nagorny Karabakh, to put an end to the wanton slaughter there. I know, of course, about Nursultan Nazarbayev's initiative, about the Minsk and Rome meetings, I remember Boris Yeltsin's efforts and Andrei Kozyrev's stay in our region enveloped in the flames of war. Unfortunately, all this has been to no avail. Nevertheless, it is a blessing that Baku and Yerevan no longer rule out a dialogue, and no longer reject outright other countries' and international organizations' peace initiatives.

This external – or, perhaps, not external – impression is marred by other information. Fighting in Nagorny Karabakh continues. Armenia is purchasing modern weapons. Trains have been backed up on the railways leading to Armenian through Azerbaijan for months. And so on, and so forth. Let us face it: there are political forces which do not want the Armenian-Azerbaijanian conflict over Nagorny Karabakh resolved. These political forces exist not only in the two neighbouring independent states, Armenia and Azerbaijan, but outside them as well.

The big Caucasian cauldron which is already seething in our former common home (recall Georgia) is a terrible menace to all the peoples of the Caucasus, Trans-Caucasus and Cis-Caucasus, to Russia and other young states which have emerged after the breakup of the Soviet Union. Let us not turn a blind eye to the harsh realities: this cauldron breeds immoral politicians and politickers, gives scope for political intrigues and benefits sundry go-getters of domestic and foreign origin.

This remark may lead an over-perspicacious readers to exclaim: "Aha, the author hints at the new relations gradually evolving between the Trans-Caucasian states and their southern neighbours – Turkey and Iran." I do not see anything wrong about these relations for so long as they are equal and mutually beneficial. What's more, when I held executive posts in Azerbaijan, I spared no effort to improve and promote relations with our close and not too close neighbours – but not at the expense of our traditional extensive links with Russia and other countries – now the CIS member states, and always showing the due circumspection and firmness necessary when the Republic's state interests are in question.

Like papal election

What course will the events in – and around – Nagorny Karabakh take? There are several likely courses, and I shall mention some of them, even the least desirable ones, for the reader to understand more clearly what is going on there.

(1) The issue is settled by force of arms. A full-scale war between Azerbaijan and Armenia ends in a victory for one of the sides which dictates its terms to the loser. Is that possible? I don't think so. Neither Azerbaijan nor Armenia will ever be able to subdue the other side. This prospect being utterly unrealistic, continued hostilities in Nagorny Karabakh make no sense.

(2) Seeking to overcome the stalemate in the armed conflict, both Armenia and Azerbaijan eagerly seek support from the outside. Indications of that are already in evidence – I mean talk about the likely deliveries of Western combat equipment to Armenia. What will happen then? This is actually an extension of (1) and will get the conflicting sides nowhere.

(3) The war of attrition between Armenia and Azerbaijan goes on. This is a kind of a many-year medieval war except that it is being fought on the eve of the third millennium A.D. by seemingly civilized politicians and their advisers who should know better. Unfortunately, the likelihood of such a prospect is high. If things go on like that, the consequences may be disastrous. The whole of the Trans-Caucasus and the Caucasus will catch fire.

(4) Political leaders of Azerbaijan and Armenia – not hysterics but patriots of their states coming from all walks of life – want the conflicting sides to enter into negotiation in earnest. Azerbaijanian and Armenian intellectuals declare for a mutually acceptable compromise. The result is a situation much like that at papal elections. Until the Pope is elected, the cardinals are not to leave their room. Mediatory efforts are welcome, but the key role is played by Baku and Yerevan (I see no insurmountable obstacle to Nagorny Karabakh's representatives taking part in the negotiation). Such a turn of events may look utopian today, but it is the only reasonable option.

To begin with, the terms of such a compromise should be worked out. The most important of such terms are armistice and ceasifire, to be supervised, if necessary, by neutral forces (more likely than not, it will be necessary that they should be called in).

Funerals became an everyday happening. Are those who plan new ethnic quarrels aware of this?

Before they agree on armistice (which, hopefully, will stop not only shelling and bombing but propaganda broadsides as well), the sides might as well make steps towards a climate of good will outside any formal agreements.

What should they concentrate upon? The most important thing to do is to clear the transport arteries, stop trying to freeze and starve each other to death.

Further, it will be necessary to stop suppressing information from Armenia in Azerbaijan, and from Azerbaijan in Armenia.

I think that for all the atmosphere of mutual hostility it would pay to hold a private get-together of the two countries' artists and scientists without a fixed agenda under the motto "Towards Accord and Peace." I have no doubt that Moscow or St.Petersburg will be prepared to accord hospitality to Azerbaijanians and Armenians who seek understanding.

Azerbaijanians would certainly welcome an honest and courageous decision by the Armenian side on the rights of the Azerbaijanians expelled from Armenia, and a similar decision by Baku concerning the fate of Armenian refugees from Azerbaijan. I realize that all this can happen only when peace comes, when the situation is fully stabilized; even then, however, there will be no going back to the pre-conflict days, but good will, if shown by both sides, will pave the way for a political settlement.

I have, of course, my own idea of a rational political settlement, but it is too early to talk about that, although it is obvious that the compromise will presuppose tractability and renunciation of territorial claims; this will make the boundary between the two states transparent and quiet.

Russia's role

I should like to dwell specially on the role Russia ought to play in this process. I have been and remain all for Azerbaijan's active participation in the Commonwealth of Independent States. The CIS looks flabby and shaky, I agree, but that makes it all the more necessary to help build it up. It is unwise to ignore and trample upon the realities on which the position of Azerbaijan depends; such realities include close ramified organic links with Russia and with many other CIS member states. Severing these links is to our own detriment in politics and in the sphere of culture, as well as in the economy.

Therefore I am sincerely glad about President Elchibei visiting Moscow and signing the Agreement on Friendship and Cooperation between new Russia and new Azerbaijan. More than anything else, Azerbaijanian-Russian relations should be free from the influence of time-serving, transient considerations. These relations are of great value to Azerbaijan for many reasons.

One reason is that it is necessary make peace in the Trans-Caucasus and in the Caucasus proper – an effort which Russia is to play a crucial role in. I understand that young Russian diplomacy is in its growing pains. Nevertheless, I cannot get rid of the impression that after its first abortive attempts at rectifying the situation in Nagorny Karabakh and elsewhere in the Caucasus, Russian diplomacy is now more concerned with distancing itself from the troublesome Caucasian affairs than with an intensive search for reasonable ways to a political settlement of the Armenian-Azerbaijanian conflict or other explosive issues which, unfortunately, continue to accumulate on the either side of the Caucasian ridge.

I do not mean Russia's militlary role here. The sword is an instrument of destruction, not creation. I mean the political role the Russian state should – and objectively does – play by force of historical and geopolitical factors.

I emphatically deny the view that Russia's interests now lie anywhere but in what are now called "new foreign states." I am firmly convinced that the sphere of Russia's, Azerbaijan's and other young sovereign states' vital interests lies precisely here, in the bokenup Soviet Union, and there is no getting away from that. Consequently, we must look for means of settling outstanding political issues together, work to end armed conflicts together and pave the way towards accord together. Given commitment to these goals, patience, mutual understanding and imagination, we shall be able to vanquish evil passions and to advance, step by step, towards sensible fundamental decisions eagerly awaited by people who are tired of uncertainty, political zigzagging and feud.

Ayaz Mutalibov

A bridge, not a cordon sanitaire

Ten or fifteen years ago, the Sonnenfeld doctrine was widely spread in the West. Named after a White House adviser, it claimed that the main threat to peace came from the geopolitical position of Eastern Europe, or, more exactly, from internal tension in relations between "the expansionist Soviet Union" and its "reluctant allies." After the breakup of the Warsaw Treaty and later of the USSR, the West lost interest in this doctrine, as well as in relations between the Union, now Russia as its legal successor, and the former "fraternal countries." That is why President Yeltsin's visit to one of these countries, Hungary, did not attract much attention in the West. But the Western media was wrong in overlooking this event. It highlighted apects of a problem which may cause much trouble, not only to Moscow, Budapest and Warsaw, but also to Western capitals.

The dangers created by this problem , and what is importnat, possible models for its solution, have become clearer. The visit indicated more distinctly the opportunities for reducing the adverse effect of those factors which have lately complicated Russia's relations with East European countries. I have in mind historical, economic and national factors.

Let's begin with the historical legacy. The world public remembers the division of Poland and the shooting of Polish officers in Katyn, the suppression of the Hungarian uprising in 1956 and the "Prague spring" of 1968. It should be noted for the sake of justice that there are also other recollections, and not only about such events as the seizure of Moscow by Poles in the early 17th century. We may recall the unknown fate of thousands of Russian soldiers taken prisoner by Poland during the war in 1920, or the participation of Hungary and Romania on the side of Nazi Germany in the war against the USSR. But should these tragic events of the past be remembered in general? By promising to turn the 1956 archives over to Hungarians and laying a wreath of repentance at the grave of Imre Nagy executed in those years, President Yeltsin seemed to propose forgetting mutual offences and opening a new chapter in relations with Hungary and other East European countries.

However, this is difficult to do also for purely material reasons – because of mutual economic claims, problems such as the complicated system of settlements in the dissolved Council for Mutual Economic Assistance, the unjustifiably hasty transition to dollar-based trade three years ago and, what is also important, the long stay of Soviet troops in East European countries. The principle of mutually cancelled debts, the "zero variant," was accepted at the Budapest talks. Russia gave up its claims to compensation for the property of Soviet troops in exchange for Hungary's refusal to demand compensation for the ecological damage caused by them to it.

Lastly, the third equally important point. The Russian and Hungarian leaders drew up and signed a declaration on the rights of national minorities. Both countries had solid grounds to do that. As is known, the Russian and Hungarian diasporas are the largest in other European countries. The Russian-speaking population in the Baltic states, Ukraine and Moldova can be compared in size with the Hungarian population in Romania, Slovakia and Voivodina in former Yugoslavia. The position of Hungarians in these countries is no better than the position of Russians in Estonia or Latvia. The tragic example of Yugoslavia shows the importance of defusing in good time the mine of national conflicts in post-communist Eastern Europe. Today it is the main threat to security there and in the whole of the continent if we remember the increased activity of IRA terrorists in Britain or skinhead neo-Nazis in Germany. In these circumstances the specific geopolitical position of Eastern Europe can play a most unexpected role.

The question is how this specific position will be manifested concretely. What part will Eastern Europe play after the cold war? Will it become a *cordon sanitaire*, by which the West tried to fence itself off from Bolshevik Russia between the two wars? As the German magazine *Aussenpolitik* described it, it consisted of two belts: the internal, former Soviet republics, and the external, former socialist countries. Or will Eastern Europe at last become a bridge between Russia and the West?

It is clear what variant was favoured at the Budapest talks. The two sides attempted to douse the most dangerous potential flames in the region. But something else is no less important: they proceeded from the common aims of reforms being carried out by Russia and the Vysehrad "troika," consisting of Hungary, Poland and Czecho-Slovakia now in the process of divorce. As is known, Hungary is a "wheelhorse" in this troika. It outstrips its partners in the intensity of market-oriented reforms and the quickness of intergration into the world economy. The fruits of reforms are already clearly visible in Hungary. But the costs are evident too. Hungary has 600,000 unemployed, which is a rather high figure for a small country.

It would be useful for Russia to know both the successes and failures of East European countries. This is one more reason why it should be interested in overcoming the alienation which arose in relations with them after the break-down of the socialist community. But the West should also be interested in overcoming this alienation if it does not want to face a modified threat, similar to the one which gave rise to the Sonnenfeld doctrine in the past. It would come not from expansionary communism, but from aggressive nationalism. The threat of an explosion along these lines can only be overcome with joint efforts.

Dmitry Volsky

The discreet charm of a Russian nationalist

Two hours with Chairman of the Russian National Assembly General Sterligov

General Sterligov's destiny in the *perestroika* years seems whimsical and even bizarre: from the KGB to the Council of Ministers under Ryzhkov, then to the Russian Council of Ministers under Silayev, then under the command of Vice-President Rutskoi. Prior to *perestroika,* he was employed by the KGB for years.

This unusual *curriculum vitae* incites conjectures. His service in the institution of secrets and sudden appearance on the political scene have created an air of mystery around Sterligov's name.

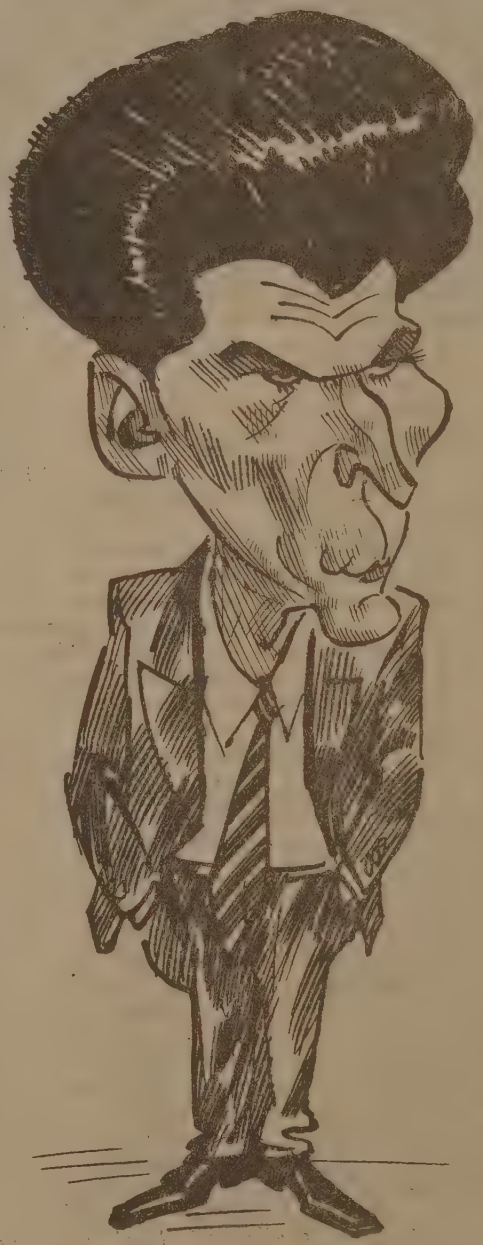
General Sterligov says of himself: "I am a Russian nationalist." He isn't ashamed of it and resorts to no euphemisms. In addition he is the first among them to produce a good impression. This is no masquerade in black shirts and golden shoulder-strips.

The alleged uncle

I've been told that General Sterligov is a charming person. This is indeed so, at least concerning first impressions. He is considerate and polite. I had to postpone our meeting, having caught cold. The General was compassionate, even gave me a piece of advice concerning medication (don't be deluded, my colleages told me sarcastically, he's a professional). The General's voice is meak and quiet (like a psychiatrist's, I thought). It was a pleasant surprise to find no hysterical tendencies. He showed no irritation even at the most unpleasant questions.

The General's style is very open, he talks like a psychically well-balanced person (perhaps, he slightly exaggerates his balance). He is not devoid of a sense of humour.

Half a year ago his name was unknown in the world of politics, he was no more than "Gherman Sterligov's uncle," a relative of a young stock-exchange millionaire. In fact, they aren't relatives at all.



Drawing by Vladimir Mochalov

The General was also known because of his *dacha.* One of the sold-out *dachas* which belonged to the Council of Ministers was bought by him and the other, by Nikolai Ryzhkov... The General still exchanges correspondence with the minister for the social protection of the population of Russia, Ella Pamfilova, the key figure in the struggle against special privileges in the former USSR Supreme Soviet.

Whence Russian nationalists?

On graduation from school Alexander Sterligov entered the Moscow Road Engineering Institute. This was in the early 1960s when the first foreign students came to study in the USSR. As a Komsomol activist, the would-be general mixed much with foreigners (I remember, there was an item in the Komsomol plans – "work with foreign students"). Before defending his diploma he was called to the dean's office where an "engineer" in plain clothes made him the proposal to join the KGB.

Alexander Sterligov worked there throughout the whole stagnation period, gradually climbing the ranks and, as it seems, experiencing no psychic discomfort. However, what he brands now as "the selling out of the motherland," "grovelling before the West," "plundering the people," together with the fall in living standards, flourished in Brezhnev's time as well. Oil was pumped to the West, petrodollars squandered, the first loans were taken, millions of dollars were showered on "brotherly" parties, the unprofitable economy consumed the natural resources of the republics. Corruption was, of course, also in full bloom. The dreams of a Soviet citizen were limited to a pension of 120 rubles plus maybe a 12-ruble bonus for long

service. Privileges were granted only to the elect ones.

Later the General worked in the Council of Ministers with Nikolai Ryzhkov and again he felt no inner discomfort. These years are memorable, *inter alia,* for the several-fold reduction in the gold reserves and the disappearance of the record harvest gathered in one of these years...

In those days the General was not preoccupied with such things.

But, having served for some time with Democrats, the General at last became enlightened and understood that all evil proceeded from Democrats.

Much ado about the *dacha*

Each in his time, Ryzhkov, Silayev and Rutskoi, invited him to work together with them. Evidently, the General could boast of efficiency, professionalism and good occupational references.

He eagerly speaks about his achievements in the field of fighting corruption in Moscow and making the Council of Ministers run more effectively.

One element in the latter initiative was the idea of selling out these accursed *dachas*. According to Sterligov, this was done in order to alleviate the heavy burden on the State budget of maintaining these countryside residences. But soon a scandal was afoot.

"Was the sale price of the *dachas* purposely low?"

"Not by a dime, I personally supervised it."

"But why weren't the *dachas* sold by auction so that everyone had a chance to buy them?"

"How can you talk about an auction when even Ryzhkov has no money to buy a *dacha* that way? It's no fault of his that he has been paid nothing but his salary all his life, while any yesterday's student who hasn't worked a single day but has made a heap of money by profiteering, can shell out several millions for it... Is this just?"

The General who sold the *dachas* at their face value which is many times lower than their commercial value and did this in the narrow circle of his colleagues, is confident that they **do have the right to it.** He simply has no doubts on the issue.

The Soviet people were devided into those who belonged to the system and those who didn't, those who were the masters and those who weren't. Sterligov was one of those who **did belong** and he was one of those who set up the rules of the game. The Council of Ministers' functionaries determined the scope of privileges they had the right to, and they also decided what the rest had the right to. They did the same in the *dacha* story: they themselves gave the go-ahead, they themselves decided the terms and they themselves bought the *dachas.*

The wholesale buying of State and Party property by generals, marshals and high-ranking State functionaries – (I saw the lists which included several fridges, carpets, sets of furniture and dinner sets) is a salient feature of our time. Marshals are not to blame. Every Marshal is a human being and has a wife and a thirsty family. Don't ask why a marshal needs three fridges – he also has a lot of relatives.

Of course, a rank-and-file citizen may ask, and what about millions of Ivan Ivanoviches who have been paid nothing but their salaries all their life and who, by an unfortunate confluence of events, don't belong to the Council of Ministers system? This isn't their fault, after all...

The General is partly right in saying that the *dacha* is only a means in the political struggle against him. But a politician claiming the role of "leader of spiritual opposition," of a national movement, could hold himself up to slightly higher standards.

"Was there an arrest, in fact?"

General Sterligov worked with Democrats and didn't like them.

He says that Silayev had no real power, decisions were made by God knows whom, without any prior discussion. A cooperative owner could drop in to the head of the government and emerge from his study with a resolution signed by the government. Sterligov couldn't tolerate it. He says that there for the first (?) time in his life he came across an open string-pulling and backstage intrigues.

When in Rutskoi's team, he began to work out a concept for Russia's security, yet he couldn't avoid feeling that no one needed it, that nobody reckoned with Rutskoi and that the Vice-President, in the General's phraseology, "was placed in cotton-wool." By the way, the General survived the putsch when he worked under Rutskoi. He speaks about it with irony – "people were loafing around in the Russian White House, not knowing what to do; no instructions from anyone; three days passed that way."

No special feelings in connection with Kryuchkov's arrest either – was there an arrest, in fact? Aboard the plane he was sitting next to Kryuchkov and chatting with him; suddenly Rutskoi came up and wispered: "You're responsible for him." That's all.

I was under the impression that Sterligov had been hurt by Democrats underrating him, and became a nationalist.

"How do you interpret Russian nationalism? As the Russians' superiority or as the priority of their interests in this country?"

"We rule out all kinds of Russian exclusivity. But we, as Russians, associate ourselves with this country. The history of Russia is to a large extent the history of the Russian people. There has been no imperial mentality; we have always been and still are plundered. But we're able to become aware of ourselves as a nation."

This isn't the first time I hear this, and not only from General Sterligov. I understand why Sterligov's interviews, which seem exposing to the journalists who write them, in fact help recruit him new followers. Many find truth in his words, and, seemingly a concern for the interests of Russia. As well as a share of demagogy, which excites many people.

One stereotype vs. another

No one has ever dared seriously discuss the problem of the Russians, either in *perestroika* years when national movements were awakened in the Union republics and in Russia herself or during the period of the "democratic power." And where there is no serious discussion and understanding of a problem, unavoidably myths start to appear and stereotypes spread.

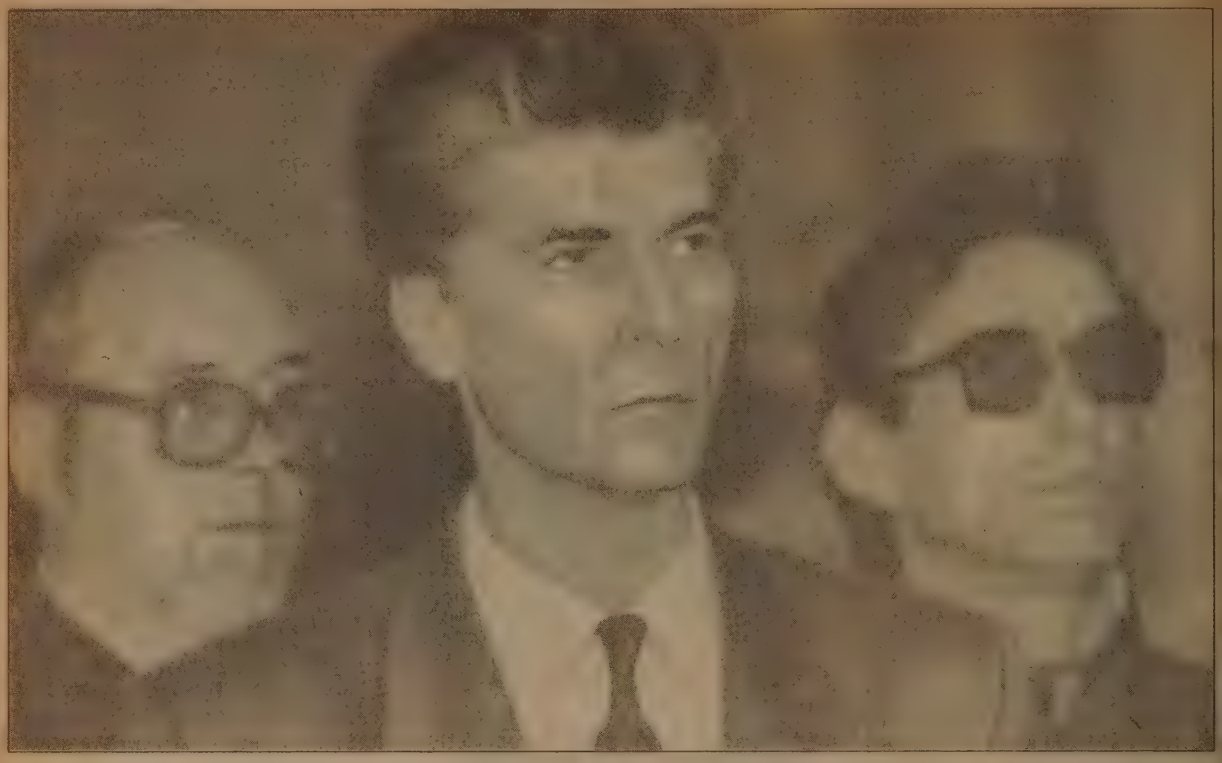
The "enlightenment" of the people on the national qustion ought to have started long ago, when one of the pillars of the Soviet system, "proletarian internationalism," began to shatter.

Primitive stereotypes are widespread today. One of them, popular in former Union republics, is: "we were made a colony." The second is "imperial chauvinism." The third, "all bloody conflicts raging in the outskirts of the former Union are fostered by Russia, because they are very useful to her."

These stereotypes give birth to their opposite: "The Russian people is the most humiliated one"; "The Russians are held responsible for everything"; "all nationalities blame only Russia."

General Sterligov answered in reference to my remark that nationalism is a very base ideology: "Then why did we like so much Lithuanian, Estonian, Lettish and Moldavian nationalisms? Why did we keep silent, watching the developments in the Baltics when nationalists who came to power thanks to the support of Russian Democrats began to suppress the "non-autochthons?"

Who are these "we?" If the General



General Sterligov: "Give an order to General Lebed, and in a matter of six hours he will take Bucharest!"

means the democratic wing, they don't like any nationalism. However, it was impossible not to support the lawful aspiration of the Baltic peoples for independence.

The course of future developments was sufficiently clear already when popular fronts were gaining strength and influence. But even later, when discriminating laws began to be passed, Russia's protest was rather moderate.

Many tried to make themselves believe that a small nation's nationalism was justifiable and pardonable, while that of a great nation, distructive and shameful. However, the notions "small" and "great" are relative. Nationalism may be understood when it arises as a reaction to oppression, but as soon as it goes beyond a certain limit, it becomes oppressive itself. Nationalism is of one nature, and there is nothing to be respected in it.

"Russia has been a multinational state for ages. How are you going to build your relations with other nations?"

"(Somewhat defiantly.) Exactly as before. We take realities into account and we're not going to liquidate the republics. As soon as the economic situation in Russia is stabilized, they'll just implore us to take them back."

"What's your attitude towards anti-Semitism?"

"We have nothing of the sort in our Russian National Assembly, but I wouldn't vouch for all movements which support us, and there are more than 20 of them. We don't admit Pamyat society to our rallies. You won't see their slogans there. On the other hand, I don't quite understand why we always talk about anti-Semitism. There is no problem yet, but the press is regularly teasing, provoking, prompting people to it..."

A practical idea

The General's nationalism is of an applied, or practical nature, he needs it in order to overthrow the government. This form of political survival wasn't found at once. Yet it is not pure and simple opportunism – the Russian idea is dear to the General's heart. "Our nationalism promotes awareness by the Russian people of their interests which consist in creating a government serving not the Americans, but Russia," says Sterligov. "No one will do it if not the Russians themselves."

Why the Americans? The General repeats myths, not bothering to give an explanation: "All this is done in order to ruin the country. It's easier to rule a ruined country..."

Does he really believe that the West prefers to deal with the present Yugoslavia rather than with stable governments in each separate republic?

Why "if not the Russians?" What has the ethnic factor to do with it? Somehow, this doesn't match Sterligov's declaration that the Russian National Assembly rules out all sorts of Russian exclusivity.

The General believes that only the Russian people, as the builder of Russia, is able to accomplish this historical mission and he rejects the thesis that Russian nationalism will only serve to blow up the country. He simply rejects it, unwilling to go into detail.

After the interview with the General, I visualize Russian nationalism as a key used to open a door to power. Many keys have been tried by neo-Communists, patriots, and others. This is a new one. Power is the desired goal of any political force. But isn't this key too dangerous? And in what way is the Assembly going to come to power?

Will General Lebed occupy Bucharest?

General Sterligov believes that Russia needs a transition period from "the present chaos to stabilization," and a strong government to carry out the transition. Who personally, or at least representatives of what political groupings will make up this hard-line government? The General evades this point: "Can't say definitely yet." Most likely he sees himself there, but for the time being you don't hear it from him.

The General is a frank and unabashed advocate of force. He has formulated ten prin-

ciples of saving the country in his programme called "The Renovation of Russia." Only the first of them includes the word "to provide for"; in all the other nine the words "to stop," "to prohibit," "to prevent" are repeatedly used. The prohibitive part of the programme sounds much more convincing than the one where he mentions creating.

After stabilization is reached, says the General, it will be possible to continue reforms. In other words, it's necessary to return back to 1985 with its stable political and economic situation, fixed prices, the State orders, the State committee for supplies and compulsory agreements. The programme also provides for measures introduced by Pavlov's government: a currency reform aimed at "relieving" the *nouveaux riches* of the burden of their money; limitation of the sum one can take from his or her bank account for "non-productive purposes"; the use of "army units" for harvesting; criminal prosecution for failing to ensure delivery.

It won't be possible to drive the dzinn back into his bottle without resorting to violence. The General doesn't even try to conceal this point.

He is convinced, for instance, that if Boris Yeltsin had sent a strongly-worded telegram to the President of Moldova, there would have been no problems in the Dniester Region.

"Certainly, it was possible to send such a telegram," I said. "But it would have to be followed by tough measures which the government wanted to avoid..."

"What measures? It was enough to give an order to General Lebed, and in a matter of six hours he would have taken Bucharest!"

Too early to burn bridges

The General's proposal is to remove the government and come to power in a **constitutional way.** One of his latest proposals is as follows: a meeting of the leaders of Russia's national movements will form a government to be approved by the Supreme Soviet.

But, as it has turned out, the General also has other variants up his sleeve. A smart and crafty politician, he prefers, as the British say, not to carry all his eggs in one basket. His recent statement concerning the possibility of cooperation with the President has stirred up a sensation. It was resolutely condemned by other leaders of Russian National Assembly. The "red-brown" coalition considered this demarche of Sterligov's especially odious as he was one of the main initiators of the unification of the "left-right" opposition into the National Salvation Front. Now the ex-KGB general calls the Front an unnecessary organization which is based on a confrontational principle. Such an odd stunt has a very simple explanation: Sterligov, as well as some other people sharing his political views, has understood that the President, even if he wished to do so, won't agree to contact with the NSF which has unambiguously announced its intention to obtain his resignation. However, he may be willing to come to terms with civilized, albeit extreme right, politicians. It's precisely proceeding from the assumption of a possibility of a similar turn of events that Sterligov made up his mind not to burn bridges, joining overtly revanchist forces. He hopes that Yeltsin will be more circumspect and that he'll try to lean on the "healthy" part of society, i.e. on "patriots," and reject the idea of radical economic reforms. Many analysts believe this is improbable, but the General seems to hold faith in the President. Will his loyalty be rewarded?

Marina Shakina

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Moscow City

For years the area around a bend in the Moskva River, near the circuit railway, was a desolate place used for dumping waste. Over 100 years ago, Testov, the owner of the famous restaurant in the centre of Moscow, bought the vacant land and settled his Gypsy choir there. The area since known as the Testovsky Settlement changed its character over time. On its territory, near the Expo-centre complex, a 110-hectare plot was designated for the construction of an international business centre, which will include an octahedral building – a stock exchange (to be called Crystal Palace) and a communications centre. The centre will ensure an immediate connection with global networks for the transmission of business information. Incidentally, thanks to it, telephones can now be installed in 120,000 flats in the district.

The international business centre, also called Moscow City, is expected to bring other benefits to the district as well – an underground railway station, Mezhdunarodnaya (International), and a high-speed magnetic suspension transport line to link the centre with the Sheremetievo International Airport. The construction and operation of the complex, including the building of two bridges across the Moskva River and the service of high-rise office buildings and hotels, will provide no less than 100,000 jobs. The project is to be carried out by the joint-stock company City. Somewhat over 10 percent of the territory will be taken by the City on lease for the construction of its own offices, and the remaining part will be leased out to foreign companies.

Patronage with an eye to the future

The inter-university association Eastern Europe-France was set up by famous makers of Mumm champagne and Martel cognac right after the fall of the Berlin Wall with the aim of giving help to high-school and college graduates. In addition to good knowledge of French, the candidates must demonstrate a real interest in managerial disciplines and pass entrance examinations. Every year, the association receives about 1,000 letters from potential candidates. Only 25 hopefuls are selected. "We are not going to expand the admission of students," its President says.

By selecting the brightest candidates, the prestige of the Mumm and Martel companies is enhanced. In the future, when setting up joint ventures in Russia and other states of the Commonwealth, they can rely on specialists who have received education in France and interned at their enterprises.

US bonds and shares sold for rubles

In September, shares of US companies and government bonds began to be traded on the Russian securities market. The shares are payable in hard currency or rubles and are sold by the company Robrok-Invest, a subsidiary of the company Russian Brokers.

Contracts via that company are made with the American Frang Financial Group, a member of the New York and Chicago stock exchanges. To make a purchase, a buyer must simply open an account with the company's clearing arm, the firm US Clearing. The accounts are ensured by the US Federal government (up to 100,000 USD) and the company itself (up to 500,000 USD). As a foreign investor, the customer is exempt from federal taxes, and the firm guards his interests and withholds information from tax authorities.

Robrok-Invest also plans to open operations in options and futures contracts.

Deutsche Bank in Ukraine

Deutsche Bank board member George Krupp in charge of a banking delegation that came to Kiev was received by a high ranking authorities of Ukraine.

Mr Krupp was informed that the Ukrainian administration had worked out a set of measures to stabilize the economic situation in the country. The importance of getting support on part of powerful foreign banking systems, including the Deutsche Bank, was emphasized by the Ukrainian hosts.

Mr Krupp assured that the Deutsche Bank would continue support for the independent Ukraine. A number of steps have been taken in this direction. The bank is training Ukrainian financiers. The bank's office is operating in Kiev, and it will expand its operation.

"I've had three meetings with the Ukrainian Premier," said Mr Krupp. "All, including the last meeting, have been constructive. We discussed our joint work and the progress we have made, but the main goal was to discuss prospects for developing cooperation which is of benefit to both nations. New ideas were generated during the talks that will make it possible to make progress in our relations. These ideas support an independent Ukraine."

Why, wasn't it good vodka, said patrons at the Chinese liquor-maker presentation

The Chinese liquor maker Van Jiun held a presentation of its products in the Moscow Beijing Restaurant. The Chinese vodkas were tasted by the Russian Culture Foundation, the Silk Route Company and the Russian journalists.

The liquor maker is one of the most famous liquor companies in China. "Vodka freshens the soul and clears the head," says an ancient Chinese maxim. The Chinese vodka won a good deal of prizes at the Paris International Food Show, the International Food Show in Plovdiv, Bulgaria, as well as at one in Hong Kong. It is exported to the USA, France, Japan and Southeast Asia.

The Chinese liquor company created a new brand named "Special Russian Brand." The patron said at the presentation that their high-quality produce has a fine taste. The Chinese side expressed the hope that their vodka will gradually win recognition among Russian tost makers.

DOSSIER

REGULATION OF THE GOVERNMENT OF THE RUSSIAN FEDERATION OF SEPTEMBER 17, 1992, No. 724, C. OF MOSCOW, ON STATE REGULATION OF PRICES FOR ENERGY RESOURCES, OTHER KINDS OF PRODUCTS AND SERVICES

Pursuant to the Russian Federation President's Decree of September 17, 1992, No. 1089, "On State Regulation of Prices for Individual Kinds of Energy Resources," the government of the Russian Federation hereby rules:

1. The Russian Federation Finance Ministry and the Russian Federation Fuel and Energy Ministry shall be charged with submitting, within a week's time, to the government of the Russian Federation proposals concerning the differentiation in 1992 of the rates of excise tax on oil, gas condensate included, taking account of the existing geological conditions of their production and a procedure of the collection of the taxes.

Pending the establishment of differentiated rates of excise tax, an excise tax on oil, gas condensate included, be set at 18 percent.

2. It shall be established that the amounts of excise taxes come to the federal budget and be used in accordance with a procedure defined by the Russian Federation Finance Ministry. The amounts of excise taxes shall be collected for the budget from the enterprises producing oil, gas condensate included.

3. It shall be established that the rates of supplier/marketing margins on oil product prices, as provided in the decree of the President of the Russian Federation of September 17, 1992, No. 1089, may vary enterprise by enterprise by decision of the Russian Federation Finance Ministry Price Committee.

4. It shall be established that the existing tariffs for electricity and thermal energy in connection with changes of fuel prices under the decree of the President of the Russian Federation of September 17, 1992, No. 1089, may be changed in 1992 by the Federal Energy Commission formed by decision of the government of the Russian Federation on March 16, 1992, No. 493-p.

5. The Russian Federation Economics Ministry and the Russian Federation Railway Ministry shall, within a month's time, consider the financial results of the operation of the railways and, if need be, submit proposals to the government of the Russian Federation concerning changing tariff rates for cargo transportation.

6. It shall be established that the Russian Federation Finance Ministry Price Committee shall have a right to change the ceiling coefficients of the increases of tariffs for passenger and cargo shipment by various transport means and along certain lines and routes that are set in the Russian President's decree of September 17, 1992.

7. A ceiling margin of profits shall be set on January 1, 1992, on the formation of deregulated tariffs for air passenger carriage and related work and services, equal to 20 percent of the production cost.

Making an alteration to the regulation of the government of the Russian Federation of August 11, 1992, No. 576, this margin of profit will also be used at air transport monopoly enterprises.

The Russian Federation Economics Ministry Price Committee shall be given a right to increase, by request from the Russian Federation Transport Ministry, the ceiling margin of profits, with account taken of expenses of air transport enterprises on social needs.

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8. Supplementing Item 1 of Regulation of the Government of the Russian Federation of April 24, 1992, No. 270, it shall be established that state communications enterprises set tariffs for the population to have telephones installed and rates for the use of telephones in town and country, agreeing their level with authorities of the republics within the Russian Federation, territories, regions, autonomous entities, cities of Moscow and St.Petersburg.

9. In increasing prices for energy resources, the Russian Federation Finance Ministry, authorities of republics within the Russian Federation, territories, regions, autonomous entities, the cities of Moscow and St.Petersburg shall set subsidies for the housing sector and utilities, transport services, the production of basic kinds of agricultural produce, as well as in selling car gasoline and liquefied gas to certain groups of disabled persons.

10. The following items shall be null and void: Items 1 and 5 as regards wholesale oil prices, Item 2, paragraph two of Item 4 as regards deductions to the price-regulation fund for oil shipments, Item 16, paragraphs one and two of Item 18 of the Regulation of the Government of the Russian Federation as of May 18, 1992, No. 318, "On State Regulation of Prices for Energy Resources, Other Kinds of Products and Services"; Item 8 of the Regulation of the Government of the Russian Federation of June 20, 1002, No. 411, "On State Support for Functioning of Transport in the Russian Federation in 1992."

11. This Regulation takes effect on September 18, 1992.

Yegor GAIDAR

DOSSIER

DECREE OF THE PRESIDENT OF THE RUSSIAN FEDERATION ON INTERIM CUSTOMS TARIFF OF THE RUSSIAN FEDERATION

Seeking to increase revenues for the State budget from foreign economic activities and stimulation of development of high-quality domestic production, I hereby rule that:

1. An Interim Customs Tariff of the Russian Federation be introduced to become effective on July 1, 1992.

2. It shall be established that import customs tariffs shall be differentiated:

goods and other commodities originating in the countries or alliances thereof that enjoy most-favoured-nation status in the Russian Federation shall be subject to base rates of import duties in accordance with the appendix to this Decree;

goods and other commodities originating in the countries or alliances thereof that do not enjoy most-favoured-nation status in the Russian Federation shall be subject to double the standard rates of import duties. The Russian Federation Foreign Economic Ties Ministry shall draw up a list of such countries within a week's time.

3. Import customs duties shall be set in percentage points to the declared value of the imported goods and shall be paid in rubles, with the declared value of the goods calculated in accordance with the ruble rate as quoted by the Russian Federation Central Bank on the day when goods are cleared through the customs, or in freely convertible currency at the importer's discretion.

The procedure for the determination of the declared value of the imported goods shall be established by the Russian Federation government.

4. All importers shall pay customs duties on imports.

5. A physical person shall pay customs duties on imports when carrying goods and products into the territory of the Russian Federation as cargo that is guarded or not guarded, as well as in parcels. A physical person carrying goods into the territory of the Russian Federation shall be exempt from the payment of import duties on commodities, selected at the physical person's discretion, with a total value of under or equal to 10,000 USD, except for transport vehicles, as well as commodities that are carried in for personal consumption, their quantity set by the State Customs Committee of the Russian Federation.

Changing the quota of duty-free import of goods (except for goods imported for personal use) not intended for trade shall be a prerogative of the Russian Federation State Customs Committee in consultation with the Russian Federation Foreign Economic Ties Ministry depending on the state of the consumer goods market.

6. Customs duties shall be collected by the customs authorities of the Russian Federation before or at the time of the presentation of the customs declaration, its procedure set by the effective legislation, and come to the federal budget. Customs authorities shall grant delay of payment of the customs duties for a period of not more than 30 days, on condition of a property being used as collateral or a guarantee of authorized bank.

7. The government of the Russian Federation may decide on exemption from the payment of customs duties.

Upon introduction of the Interim Import Customs Tariff, all earlier exemptions, save for exemptions provided by the legislative acts of the Russian Federation and international agreements of the Russian Federation, shall not be applicable.

8. It shall be established that foodstuffs and medicine imports shall be free from import duties, the list of the foodstuffs and medications to be drawn up by the government of the Russian Federation.

9. The State Customs Committee of the Russian Federation, together with the Russian Federation Economics Ministry, the Russian Federation Finance Ministry, the Russian Federation Foreign Economic Ties Ministry shall, within a month's time, transmit to the government of the Russian Federation proposals concerning the applicability of the Interim Import Customs Tariff in free economic zones, created on the territory of the Russian Federation.

10. Upon the request of the Russian Federation Foreign Economic Ties Ministry, agreed with the Russian Federation Finance Ministry and the Russian Federation State Customs Committee, the Russian Federation government may establish preferences as regards the rates of the Russian Federation import customs tariff, including: exemption from the payment of customs duties, changes in the rates of import duties or setting quotas for the preferential import of goods and other commodities originating in the countries forming a customs union together with Russia or a free trade zone or leading policies seeking the creation of such a union (zone).

With the Russian Federation being successor to the former USSR as regards international obligations, pending the introduction of an import customs tariff of the Russian Federation, exemption shall be granted from the payment of import customs duties on the goods classified in groups 1 to 24 of the Commodity Nomenclature of Foreign Economic Activities and originating in the countries described by the UN as developing nations.

11. Pending the adoption of the Customs Code of the Russian Federation and a Law of the Russian Federation "On Customs Tariff," the provisions of the USSR Customs Code and the USSR Law "On Customs Tariff" shall apply insomuch as it does not contradict this Decree and other legislation of the Russian Federation.

12. The Russian Federation Foreign Economic Ties Ministry shall report to the government of the countries that are the Russian Federation's trade partners and the Secretariat of the GATT concerning the introduction of the Interim Import Customs Tariff of the Russian Federation.

13. This decree shall take effect on July 1, 1992, under a procedure established by a regulation of the 5th Congress of People's Deputies of November 1, 1991, "On Legal Infrastructure for Economic Reforms."

BORIS YELTSIN,
President of the Russian Federation

Moscow, Kremlin,
June 14, 1992,
No. 630

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DOSSIER

Approved by Decree of the President of the Russian Federation of June 14, 1992, No. 630

INTERIM IMPORT CUSTOMS TARIFF OF THE RUSSIAN FEDERATION

Code of commodity nomenclature of foreign economic activity	Description of goods	Tariff rate in percentage points of customs value of imported goods
220300	Malt beer	20
220410	Sparkling wines	25
220421–220429	Natural grape wines, including fortified	20
2205	Vermouths and other natural grape wines, with the addition of plant or aromatic extracts	25
220710000	Ethyl alcohol, non-denaturated, with alcohol content of not less than 80 percent by volume	10
220810	Alcohol components used to produce drinks	10
220820–220890	Non-denaturated ethyl alcohol, strength at least 80 percent, strong alcohol, liqueurs and other alcoholic beverages, alcohol components used to produce drinks	25
8521	Video-recording or video-reproducing equipment, with or without a video tuner	15
8523	Finished carriers, non-recorded, to record sound or for another similar recording or other things, except for products of group 37	15
852421–852490	Tapes and other carriers for the recording of sound or similar recordings, recorded	15
852530910	Cameras with recording or reproducing equipment within the same body	15
8525	Television receivers	15
8703	Cars and other motor vehicles intended to carry people (except for cars mentioned in item 8702), including estate wagons and racing cars	15*)
	other commodities not mentioned here	5

*)a physical person shall pay an import duty rate of 0.1 ECUs per 1 cubic cm. of the car engine.

DOSSIER

LIST OF FREE ECONOMIC ZONES IN RUSSIA

Name of FEZ	Location	Administrative centre	Administration chief telephone number
YANTAR	Kaliningrad Region	Kaliningrad 8-011-2	464231, 467545 Matochkin Yuri Semenovich
SADKO	Novgorod Region	Novgorod 8-816-00	74779, 92287 Prusak Mikhail Mikhailovich
KUZBASS	Kemerovo	Kemerovo 8-384-2	263409 Kislyuk Mikhail Borisovich
DAURIA	Chita Region	Chita 8-302-22	32184 Ivanov Boris Petrovich
SAKHALIN	Sakhalin Region	Yuzhno-Sakhalinsk 8-424-00	36081 Fyodorov Valentin Petrovich
NAKHODKA	Primorsky	Vladivostok 8-423-2	223[illegible]0 Kuznetsov Vladimir Sergeevich
EVA	Jewish Autonomous Region	Birobidjan 8-13 order	63204 Volkov Nikolai Mikhailovich
ALTAI	Altai Territory	Barnaul 8-385-2	226814 Raifikesht Vladimir Fedorovich
GORNY ALTAI	Gorno-Altai SSR	Gorno-Altaisk 8-385-41	2607 Chairman of Government Petrov Vladimir Ivanovich
TECHNOPOLIS ZELENOGRAD	Moscow Region	Zelenograd	592-54-35
FEZ c. of ST. PETERSBURG		City Hall 8-812	3199865, 2711085

Sailing directions in a sea of oil

Though oil extraction in Russia fell 16 percent in October alone, the Company RITEC was none the less optimistic. It suggests its own solution for overcoming the crisis in the oil industry. This is the topic under discussion by our correspondent and RITEC's Chairman-of-the-Board and General Director Valeri GRAIFER

Valeri Graifer was born in Baku in 1929. He graduated from the Moscow Oil Institute, worked at Tatar oil fields for 22 years, then became an official at the Oil and Gas Industry Ministry. During the last 6 years he has been in charge of oil and gas production in Tyumen and deputy minister of the oil industry.

Please, several words about your company.

The Russian Innovation Fuel and Energy Company (RITEC) was registered in June of 1992 as a joint-stock open-end company. Among its founders are the International Oil Concern (Lookoil), the B-Gas-C, the Transneft oil company, the Neftespetstranstechnologia association, the concern Neftegazmash, the International Fuel and Energy Association, the joint-stock company Rosneftegazstroi, and the consortium Ecoprom.

Yours is a democratic company, you're an open-end firm. But most profitable sectors abound with closed companies. Why is RITEC different?

If you target one project and do not want to share profits, you set up a closed company, a company "for the insiders," though new law frowns on the practice. If you have a broad business programme, a wide investment base is required. In fact, the economy serves in this case as a restrainer of greed. I cannot claim of course that RITEC is unconcerned with its balance sheet, but at the first stage we attach priority to the creation of strong investment pulses in the essential area, oil production and processing, petroleum and gas chemistry, defence conversion, and the development of welfare infrastructure. These four lines the company is working on necessitate an active expansion of the chartered capital which we brought from 17 million to 600 million rubles in several months.

Democracy is the company's guiding light, and the bulk of our investors are workers at enterprises that implement RITEC programmes. This adds to motivation to cooperate. And also, the shareholders are convinced that their money is put to a constructive use, is employed to fund well-prepared projects.

Principle No. 2 that RITEC follows is an unwillingness to be involved in financial speculation, jeopardizing goodwill and the shareholders' money. We seek to turn around the energy sector, both production and processing, and modernize it. This will not happen overnight, but we are firm on our feet. We are planning a third and fourth tranche of shares.

What are RITEC's main investments?

We have joined forces with the former Minneftegazstroi to build a factory in the town of Surgut that will manufacture pipes protected against aggressive media. At Nyagan we are preparing to produce polypropylene which is required to manufacture quality pipes.

The conversion effort of the Obukhov factory will make it possible to rely on US technologies to manufacture depth pumps with a service life of 720 days, up from 216 at present. A Sevastopol facility has started the production of vacuum switches.

Part of the money is used to restore oil wells and put into operation new oil fields. The money will be invested in the regions that are new for us: Krasnodar, Tula, Saratov. Our multiline operation is good guarantee against failures: if we make a mistake in some place, we can make up for the lost profit in another.

When the magical faucet dries up

This is important of course because tens of thousands of oil wells are idle today in Russia.

Regrettably, Russia has long viewed oil production as a miracle tap. You turn it, and oil flows. Geologists had a hand in this practice, too, by insisting that we have seas and seas of oil. The result was a crisis of investment and innovation. And it has been calculated that unless you make investments in oil production and replace the capacities that go out, production falls at a rate of 17 percent per annum. This is what is taking place today. RITEC is doing a very complex and capital intensive business: it develops small-scale (regional level) deposits and brings abandoned wells back into production through the use of advanced technologies. During a short time we managed to put several dozen of abandoned wells back into operation. And we are picking up steam. Next year we plan to rebuild 40 to 45 wells per month and produce more than 1 million metric tons of oil in Nizhnevartovsk, Tyumen, Surgut and Kogalym. We are also going to make use of petroleum gas. We intend to extract, refine and market our oil and plan to set up a network of gas stations. The Russian government approved all RITEC projects, and Western business is interested.

The new is the forgotten old

What are the technologies RITEC uses? Many experts claim that Russian

oil industry is hopelessly obsolete and Western aid is a key to any progress.

That's quite wrong. For example, the horizontal drilling technique we employ was developed by Russian researchers long ago, but it has remained unused. Its use allows us to sink holes to a depth of 3 km and drill along the horizon of an oil pool, as is the method in a coal mine. This increases production many times because the length of a horizontal well is 1 kilometer. We also made use of the hydraulic rupture technique that the Soviet Union used back in the 1950s. The West has always made an extensive use of these technologies. Today Canadian experts are helping us. This is a paradox of course.

The oil industry is attacked because their pressure for oil products to be increased allegedly boosted inflation.

The blame is laid at the wrong door. This country has seen three price hikes, but while prices for other commodities have risen 10- to 100-fold, oil prices only increased 2 to 4 times. The sector that is key to the entire economy is being cornered. The liberalization of energy prices is a necessity that is long overdue. The real price of oil must be determined at the exchange. The exchange is the only place where we can trade oil in a civilized manner. But frankly speaking, we have larger targets. For example, we cannot export energy at the moment and we trade it for rubles inside the country. And we need hard currency badly to pay wages to foreign experts and purchase some kinds of equipment. We hope that the government will shift emphasis and give us some of the opportunities given to foreign companies. This will increase the efficiency of companies like RITEC.

Just don't be in the way

But foreign companies provide equipment we badly need after the collapse of the Soviet Union. Azebaijan is a foreign country now, and it is a major producer of oil equipment.

Yes, we have lost some of the facilities. But it is no problem to make up for the loss ... if there is a will. For example, RITEC's defence conversion programme provides funds for the production of reducers for pumping machines at a defence factory in the town of Yegoryevsk. The company has excellent plant and equipment which was badly underutilized until recently. When military orders were trimmed, defence enterprises simply did not know what they could produce. And there are hundreds of such factories today. All it takes to give them a new mission is ideas and money. RITEC has both, thanks to our cooperation with the scientific establishment and our broad social and geographic shareholder base. For example, we work with the Association of Northern Peoples that has a stake in distributing stock among the residents of the area. We cannot pin our hopes on the state at the moment. The state is bankrupt. And all the new structures like RITEC ask is: don't be in the way. Russian professionals will be able to cope with the crisis the economy finds itself in which they had no part in causing.

Interviewed by
Nikolai Garkusha

THE GIPSY FOLKLORE ENSEMBLE
in the RUSSIAN HALL of the restaurant ROSSIA!

Each evening (except Monday) from 7 p.m. till 11 p.m. the ensemble ILO (HEART), under the leadership of Nikolay Vasiliev, performs for guests.
In ILO's program - a collective famous for appearing in several well-known films and stage performaces around the globe - ancient romances, songs and dances by Siberian nomadic Gypsies.

The RUSSIAN HALL of the ROSSIA catering company (Moskva, Ulitsa VARVARKA, dom 6, hotel ROSSIA, Eastern Entrance) has traditional decor.
Serving Russian and Europian cuisine.
You can even order your favorite dish beforehand.
We're open to serve you every day from 11:30 a.m. till 11 p.m.
To reserve a table in the restaurant's RUSSIAN HALL call: (095) 298-34-39.

Restaurant ROSSIA - you won't find a better place to relax!

A man who inspired the "Prague spring"

Alexander Dubcek has died. Whatever his supporters and opponents think of him, his name has been firmly inscribed in the history of sweeping changes in the last three decades of the 20th century. He was a modest and bright, integral and contradictory man, a sober-minded realist and great romantic who was the first to look into the future awaiting "real socialism" and made an unsuccessful attempt to change this future.

Dubcek was a much discussed personality in the late 1960s. Some regarded him as the leader of the "Prague spring," a courageous fighter for genuine social justice and democracy, others – as a "revisionist," a traitor to "the cause of socialism and communism," and still others – as a weak and inconsistent politician. Dubcek was also in the news in the late 1980s when, having returned from political oblivion, he became Chairman of the first post-revolution parliament which did more and went farther in social reforms than his predecessors and parliamentarians in the 1960s.

Today he is in the news again, in connection with his tragic death. Newspapers recall the biography of this man who was born in Slovakia, spent his childhood in Central Asia and his youth in the Volga-side area, a soldier who fought against Germans to liberate his homeland, a party functionary, politician and dissident for whom moral principles and ethical standards proved in the end more precious than party discipline, political aims or career interests.

Alexander Dubcek with his granddaughters

For two months after an absurd road accident Dubcek was between life and death. Doctors fought for his life, and people wanted to believe in a miracle, the same miracle as his return, together with a few other members of the second airborne brigade of the Czechoslovak army, from the flames of the Slovak National Uprising in 1944, from the area into which they had been sent at the very critical moment, when the tragic fate of the rebels was also predetermined, the same miracle as his return into big politics in 1989 after two decades of political death and oblivion carefully orchestrated by the new authorities.

Many did not believe that such a miracle could happen. I saw Dubcek at an official reception in the Czechoslovak Foreign Ministry in the winter of 1969 and 1970, when he was no longer First Secretary of the Communist Party and not Chairman of the parliament, though he was not yet expelled from the Party membership. In a conversation with journalists he spoke unfavourably about the immorality of politics.

"Sasha, do you know the difference between politicians and poets?" a famous poet asked him with irony.

"No," Dubcek replied.

"There are no former poets," the famous poet explained and went away, having creating the feeling of some inner awkwardness among those present.

Shortly afterwards Dubcek was appointed Ambassador to Turkey. But he did not stay there long. In a couple of months, not without active pressure from the Kremlin, he was recalled and expelled from the Communist Party. He disappeared from big politics for about 20 years, working quietly in a Slovak timber enterprise.

The authorities expected that Dubcek would repent. But he did not repent that in January 1968, having become First Secretary of the Communist Party, he led an attempt to combine socialist ideals with humane democratic standards, neither that he signed an agreement with the Moscow Politburo after August 1968, when the tanks of five Warsaw Treaty states crushed the naive dream of "socialism with a human face."

Could he have refused to sign this agreement? It seems that later on General Jaruzelsky took the sad experience of the "Prague spring" into account by preferring to impose a state of emergency on Poland instead of allowing others to intervene.

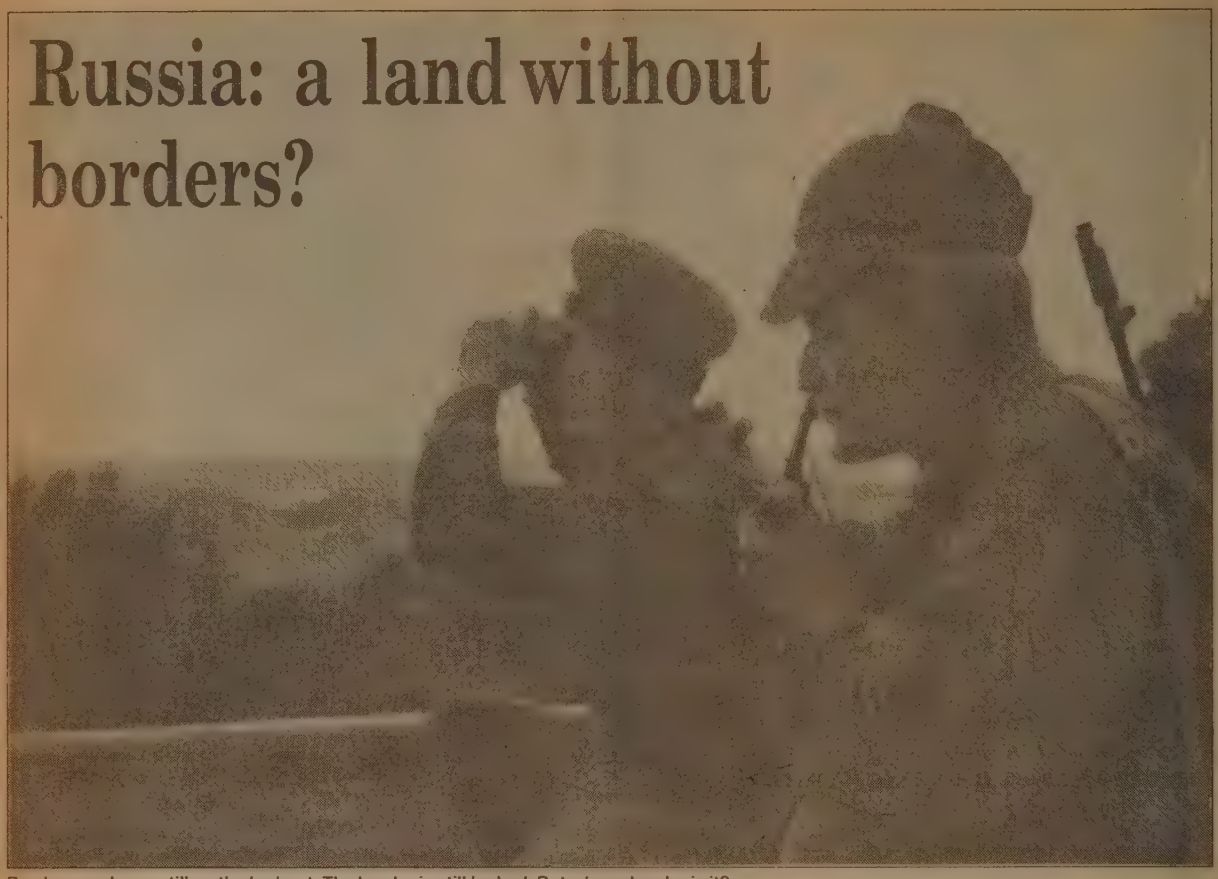
When Alexander Dubcek reemerged in the political scene during the revolutionary events in 1989 in Czechoslovakia, many thought that he hadn't changed. He had more wrinkles and grey hair. But, having become Chairman of the Federal Assembly and leader of the Slovak Social Democratic Party, Dubcek defended the humane and moral principles with the same passion as before, fully devoting himself to this struggle.

Alexander Dubcek believed in socialism, in the lofty ideals of social justice, and boldly questioned the correctness of the road to them charted by the founders of the social theory when he saw that this road was anti-human.

He was a true friend of Russia, the Soviet Union, a champion of Soviet policy and a vehicle for Soviet influence, and he courageously opposed this policy when its aims became incompatible with his notions of duty and morality. That is how he will be remembered by people.

Alexander Didusenko

Russia: a land without borders?



Borderguards are still on the lookout. The border is still locked. But whose border is it?

Here are some of this autumn's new items: Russia's President cancels at the eleventh hour his long prepared visit to Japan. A thousand additional CIS borderguards complement frontier posts along the Pianj River flowing between inflamed Afghanistan and smoking Tajiksitan. Russian internal troops seek to control Caucasian borders and isolate Chechen that officially is still part of the Russian Federation. At railway stations in Sochi police nail and expel shady characters, Cossacks try to protect bazaars in Krasnodar and St.Petersburg from the incursion of Southerners. Frontier guards deploy at Pskov, Smolensk becomes headquarters of a new Militlary District and customs services start operating Rostov Region.

When in 1945 the Big Three leaders met at Potsdam they found it rather difficult to identify the concept of Germany in the new conditions. In that connection Stalin declared that this was a "land without borders." Now in today's post-war world, nearly half a century after the end of the World War II and almost a year after the USSR's disintegration, one must admit that today's Russia is that "land without borders."

So far Russia continues to guard the former USSR borders. Is this in her national interests?

Reinforcing the borders of ... the USSR

Russia has internationally recognized borders with Korea, China and Mongolia in the Far East, with Finland and Norway in the north-west, with Poland near Kaliningrad, and finally a maritime frontier with the USA in the Bering Strait. The Russian-Japanese border is in a niche of its own. However, most of Russia's new frontier has no status as a state border, is not delimited, meaning that the frontier is not exactly defined as yet, and is not demarcated, meaning that it has no border posts. This is true of Russia's borders with Estonia, Latvia and Lithuania (the last near Kaliningrad), with Belarus and the Ukraine in Europe, with Georgia and Azerbaijan in the Caucasus, and also with Kazakhstan, which thus far have no juridical status as administrative or internal borders.

What actually does a border mean?

The Soviet border was a monolitic barrier defining the state affiliation of one or another territory, ensuring external militlary and politico-ideological

security and comprising a crucial instrument for migrationary policies and customs controls. In short, thus border was locked and the key was reliably safeguarded.

While the outer Soviet boundaries were most impressive the internal boundaries were purely conventional, of importance solely from the angle of statistics, as in practice they were ignored. Naturally, after the new independent states rising up on the remains of the Soviet Union proclaimed the formation of CIS, the temptation was particularly great especially for Russia to dispense with the borders within the new Commonwealth. It was argued that the tangibility of Soviet life could not be divided, that Western Europe has acquired some progressive experience in this connection and, finally, that it would be financially inadvisable. Hence the Belovezh agreement and the Alma-Ata declaration guaranteed open borders and freedom of movement within CIS. In fact some ten CIS documents bearing upon the guarding of borders reserved the status of a state border only to "external boundaries." Only the Ukraine insisted that all the borders of the CIS states enjoy identical status. As for the others, especially Russia, they preferred to concentrate on reinforcing ... the borders of the erstwhile USSR.

We are seemingly still proceeding from the inherited concept of a "single frontier," instead of settling which functions, where and in what combination could be best ensured.

The outside army

It is universally recognized that a frontier discharges the basic functions of territorial delimitation, external security and migrationary and customs control. We shall now endeavour to assess the currently existing situation from each of these three angles.

Take, firstly, the problem of recording the state affiliation of one or another territory. What appears indisputable is perhaps the border with Belarus. Estonia officially claims Ivangorod and Pechora, to which she was entitled under the Yuryevsk Treaty of 1920. Latvia claims the Pytalovo District, also part of its terrritory before. Lithuanian officials are sounding out the problem of the "ancient land of the Prussians." Further, as concerns the borders with the Ukraine the Russian authorities are already doubtful: one needs but recall her Parliament's well-known Crimea statement. Not all in Russia are prepared to "renounce" the North Kazakhstan regions. Finally, the borders in the Caucasus are a political nightmare.

Arms smugglers from Afghanistan being held

Photo from Time (USA)

Yet, it is obvious that precise territorial delimitation implies the settlement not only of territorial issues. It also signifies finalized national statehood within the framework of the ex-USSR. Needed is the full renunciation of the old all-inclusive empire geopolitical structure. Today much seems linked to the problem of state affiliation, but if, for example, Russia had ample housing for her servicemen, relations with the Baltics would be of a totally different order.

Or take the lot of the Russophones, in effect that weft threading the CIS dimension. Deeply worried by economic upsets, the unprecedented crime wave and other domestic issues, the resident Russian reacts to development in Tajikistan almost as offhandedly as to the bloodbath in Bosnia and Herzegovina. He is not particularly interested even in the death toll there of compatriots from among civilians and Russian troops.

MPs have no particular desire to visit the besieged Russian garrisons in Kurgan Tyube and Kulyab. Kunashir and Shikotan seem to have greater appeal. Yet who will say what Russian troops are really doing in Tajikistan? Have they been forgotten? Or are they upholding state interests? If so, what interests precisely? Finally, has Parliament sanctioned this use of Russian troops?

Generally the presence of Russian troops outside of Russia devoid of all required juridical grounds such as interstate treaties or agreements on status, paves the way for Russia's embroilment in all conflicts that may erupt wherever such troops are deployed. Their presence throughout the ex-USSR and even their uncertain status would be understandable were Russia pursuing a policy of gathering together all the lands of the former Soviet Union. Yet Moscow officially says it does not seek to retard or revoke the process of the rise of independent states in place of the former constituent republics.

On the other hand, the army's objective embroilment in conflicts, whether in the Dniester Area or in Abkhazia, confronts the government with accomplished facts thus making for a double-edged policy. That in turn undermines trust in Russia. We may hence conclude that the outstanding border issue shows that the future statehood pattern of the ex-USSR's vast dimensions remains unsettled.

Frontier city of Sochi

Only the clear-cut definition of Russia's borders along the entire perimeter will help the Russian citizenry to accept this as the state frontier.

Only recently has the health resort of

Sochi realized that it is a frontier city. Though residents of Stavropol are already aware that the border is nearby, compatriots in Volgograd and Smolensk still adhere to the old Soviet mentality, while many Muscovites modelled August holidays on relative financial and climatic features than state or military and political advantages. As a result, some holidaymakers found themselves in Sukhumi, Gudauta and Gagra. Why didn't the Russian Ministry of Foreign Affairs warn its nationals that in views of the escalating conflict a sojourn in Abkhazia could threaten their very lives?

The exodus of Russians from Central Asia continues, as the Russian government affords them no protection. Why? We think much here derives from the unsettled state of Russian citizenship and consequently the government's obligations to its citizens.

Who though is a Russian, that is a citizen of Russia? After all, according to our papers nearly all of us are still USSR citizens. In the Baltics this question has been settled, despite manifest discrimination, while in the Ukraine internal passports carry the appropriate national stamp "trident." What does the Russian have in this respect? A stamp of domicile registration?

Much is said nowadays as to the need to introduce immigration controls, often tough controls at that. But how can this be done, when we simply do not know who is a real Russian and who isn't? Are we to proceed from the fomicile registration stamp? Or still worse, from notorious questionnaire Point 5? (The point indicating nationality of the polled – **Ed.**) Are we to grade people according to the colour of their hair or skin, or the shape of one's eyes? And should that be the task of the ordinary police officer?

The need for a citizenship law is simply desperate. The right to receive Russian citizenship must be recorded not only for those living in Russia nowadays, but also for Russian expatriates. All choosing Russian citizenship will comprise Russia's citizenry. That would leave no loophole for demagogic speculation. Then the Russian government and the Russian Parliament would know exactly who they may and must protect at home, in the immediate abroad and further off. Only then will it be possible to set up an efficient immigration service and agree to the visa-free crossing of state frontiers or not.

The movement of commodities between states has likewise to be as strictly regimented. The billions of dollars lost due to the absence of a proper customs policy and a dependable customs service comprise the bill that has to be paid for the uncertainty of Russia's customs borders. What must be done immediately is to record with whom Russia has customs and economic alliances and with whom she does not have such alliances, and on what terms Russia is cooperating. What cannot be tolerated is when other countries or individuals, regardless of nationality, continue to profit by the continued Russian muddle. No matter how much it may cost to set up customs controls, this must be enforced wherever the boundaries of the respective customs alliance run.

Drawing by Marat Tairov

No difference between "front" and "hinterland"

Finally, the question of military security. Concern for a country's physical safety represents the state's paramount obligation, which it cannot delegate. Currently Russia is guarding most of an alien frontier by her own means, though her own borders largely lack protection. This conforms to the concept of the "double-barrelled border," according to which Russia's strategic frontiers are way out, while the countries of the immediate abroad comprise a broad buffer similarly to the erstwhile Warsaw Treaty allies.

Whatever one might note as the merits of such a concept, it simply does not operate, as is illustrated by the Romanian-Moldavian border and the isolated border posts along the Araks and Pianj Rivers, that are incapable of discriminating between "front" and "hinterland." Yet, the imperative need to reinforce Russia's borders with the Baltic and Transcaucasian states is hamstrung by the absence of appropriate legislation, as these boundaries still do not have the status of a state frontier.

The withdrawal of Russian troops from the Baltic and Transcaucasian states and later from Central Asia should not make for a solid line of defence along the entire perimeter of Russia's new frontiers. Frontiers should be duly equipped and reinforced only from the angle of the actually existing military and political situation in this or that sector. Thus, excellent opportunities now exist for recording the demilitarized status of Russia's frontiers with Belarus, the Ukraine and Kazakhstan, and the opportunities should not be missed.

To sum up: the enactment of a frontier law and a citizenship law, and the organization of immigration, customs and frontier services are most topical. How can one explain the procrastination? Is it due to the focussing on social and economic issues? Or to a reluctance to exacerbate relations with neighbours in so delicate a matter? Or finally, to the deep but unvoiced conviction that eventually everything will come the full circle? Whatever the case, when the authorities delay adopting unpleasant but inevitable decisions, that never makes the problem evaporate of its own.

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Advice is permissible, cooperation not

Does it befit the intelligentsia to work with the authorities?

The intelligentsia, brought up in the Soviet period, remains a specifically Russian phenomenon. As before, it concerns itself with "the Fatherland's destiny," is still seeking an answer to the eternal question: how should it relate to the powers-that-be?

With the people, but not too closely...

Like a century or two ago, the intelligentsia is still tormented by the ambiguity of their position: the critically-minded ones can't openly support the authorities, which, above all, would be simply "indecent"; at the same time, most of them are either afraid, or don't want, due to their sceptical attitude, to play the role of rebels calling for an overthrow of power – will it really change anything, and if it will, what for and in whose name?

In principle, intellectuals are little concerned with power as such, as long as it leaves them in peace and provides them with well-being and relative freedom. Many of them would have abandoned politics if not for the issue of "the fate of the Fatherland."

This issue serves as a sort of "soil," so to speak, for the intelligentsia devoid of "organic soil." In Russia, reform-minded intellectuals, without associating themselves with the people, have always shown concern for their destiny. Although nowadays the destinies of the intelligentsia and of the common people have become rather close to each other, those who have chosen an intellectual vocation distance themselves from both the authorities and the peopole, concerning themselves, nevertheless, with their Fatherland's destiny without being rooted in its "soil."

Our intelligentsia's idea of power and of how it should be treated resemble those of the times prior to the publication of the famous collection of articles known as *The Milestones*. As a century ago, they visualize power as a central structure, external to and placed above society, and making decisions independently of it. The image of monarchic power, be it tsarist or Communist, is still strong, not only in the people, but among the intelligentsia as well.

Power is seated in the Kremlin or in the Russian White House (as in the Winter Palace in its day), and the attitude to power is limited to the manifestation of sympathy or otherwise with the charisma which currently rests there. All discussions on the problem of relations between the intelligentsia and power are limited to the stance taken vis-à-vis the "headquarters" of Russia's present authorities. In Russia, those critically-minded share with common people the illusion that power is to be found somewhere in a central point "above"...

"Ours," "alien"...

Some are indignant that intellectuals, instead of opposing Parliament or the Kremlin, are pushing their way into the "headquarters" of power, and insist that the place of the intelligentsia is in the opposition; others, on the contrary, believe that it's not the intelligentsia's business to struggle with the authorities; still others say that power must be "civilized" and the people "sympathized with"; there are also such who insist on staying aloof from politics and minding their own business and those who think that the intelligentsia must be in opposition not only to power, but to the people as well...

No surprise that, given this concept of power, there exists an extremely wide range of opinions among intellectuals concerning the stance to be taken with regard to the Kremlin or Parliament.

The well-known cultural scientist G. Pomerants believes that the present supreme power should be given the chance to carry out its experiments to the end, and he sees the role of the intelligentsia in explaining to the people that there is sense in their "sufferings on the surgical table of reform," and that this sense consists in the building of a new Russia. A populistically-minded economist A. Buzgalin resolutely objects to this, claiming that the very search for such sense is a betrayal of the people by the intelligentsia, while a populistically-minded philosopher Y. Borodai interprets this sense in the following way: "Not merely to weep and suffer, but to see a meaning in the execution."

Perhaps the most terrible blow to the intelligentsia, free from the burden of power and from the thirst for it, is "treason" by some in its ranks whose "critical mind" failed and who aspired for power. "To offer advice to the Tsar" or to be merely "independent" is one thing, but to become his functionary is not very respected in these circles.

But is it possible to show concern for one's Fatherland and be absolutely independent from power? Why is the attitude of "non-ruling" intellectuals to the "ruling" ones so negative? What harm is there in intellectuals beginning to "hunt" for power? The most important thing is their being admitted there, although it's true, of course, that an intellectual who has become a politician loses, in a sense, some of his virtues, but this is his own business, after all.

"Non-ruling" intellectuals not only dislike the "ruling" ones, they also regard the authorities from the point of view of good and evil and, depending on the quality found in them, either become filled with the feeling of devotion or, which is a much more common occasion, criticize and condemn them.

The Russian intelligentsia imagines power as a religious-ethical substance exuding, or not exuding, freedom, goodness and justice. In the latter case, when "mass suffering is looming," the intelligentsia deems it their duty to inform the people about it and oppose the power.

The "non-ruling" intellectuals who used to assess power form the point of view of good and evil, find it difficult to understand that power is not an ethical, but a political entity and that, from the times of Socrates, if it has no concrete political content, it exudes nothing except the presence or absence of political strength in it. It may be assessed in terms of "ours" or "alien," but these assessments will have nothing to do with power as such. At the same time, Russian intellectuals have always treated power as a **personality,** that is, they have projected their personal ideological expectations onto it.

They believe that power must of itself strive for the right and good, and since more often than not such tendencies have not been observed, they used to bring down a storm of criticism on it... As for the question whether power itself would strive for good and justice without being urged to do so remained unsolved for some reason or other, or was left to be solved exactly by power or the opposition.

Cooperation is not shameful

It was believed permissible to give advice to the rulers or to criticize them, but it has always been considered unworthy of an Russian intellectual to urge them towards the right and good.

I think that the Russian intelligentsia has never been aware of itself as a force, and it has never been aware of its strength precisely because it has always experienced the need to dissociate itself from power or place itself above it. But for all its attempts to do so, it was objectively included in the system of power, because it possessed what largely endows power with strength, i.e., knowledge and information.

Drawing by Vladimir Soldatov

However, to help the official authorities solve complicated strategic problems confronting society doesn't necessarily mean to cooperate with power structures too closely, still less to agree with them in particular cases. At that, there is nothing immoral in cooperation with democratically open power structures, it's only important to avoid losing one's identity in the process. And yet I believe that the function of the intelligentsia is not cooperation with powers-that-be, but resisting them and, in the course of this resistance, helping them seek ways out of the distressing social realities.

To my mind, sometimes Russian intellectuals fail to find their place and vocation in society because they identify power with power structures, leaving it for the latter to use power to their discretion. Power structures, however, are inactive or they act perfidiously like the Machiavellian Prince, precisely because they encounter no resistance.

The conflict over the newspaper *Izvestia* exemplifies the all-important dispute between the power structures attempting to bring the press and information under its control and the intellectuals trying to check power structures using the media and legal channels. Russian intellectuals have always failed to fulfil this controlling function with regard to power.

To carry out this function is much more difficult than merely to declare one's opposition to power. Besides, it isn't the intelligentsia's business to oppose power if the latter is interpreted as a political struggle for power.

Opposition comes and goes, it comes to power or fails to, but resistance as the function of control over power always remains. It's not only a matter of society being interested in the existence of a counterbalance to power, because while it's true that power corrupts people, but without them it corrupts itself. Power, in order to feel its strength, i.e., in order to perceive itself as such, needs to some extent a certain amount of criticism from outside in accordance with the principle: I exist if I'm criticized. Even a totalitarian power needs a hint of opposition; it's not for nothing that both Stalin and Hitler believed that if there were no "enemies of the people," they should be invented.

Power doesn't belong to rulers alone. It belongs to them, perhaps, only in primitive societies. In advanced ones, the strength of power depends not only on the repressive police apparatus and bureaucracy – it also depends on society's material and intellectual wealth (knowledge and information). The problem of resisting power and of control over it depends on the intensity of productive cooperation with and resistance to the power's "lines of force" along the entire hierarchical scale from the bottom to the top. In a democratic society, this occurs regardless of what forces and parties are in power.

Two pillars

I'm sure that the role of the intelligentsia is neither to serve the authorities nor to oppose them, but to rationally dispose of its wealth: talents, knowledge and information in the interests of society and to actively influence the very process of decision-making by power structures.

As such, criticism of power by separate critically-minded intellectuals may be a useful, but not very effective occupation. It will be much more useful today if the intelligentsia masters the operation of the mechanisms of power and actively joins the system of power (not necessarily in its executive bodies); offers alternative ideas and programmes for overcoming the crisis in each locality, city, region or republic of Russia; provides the professional expertise to carry out decisions made by power structures; assumes the function of control over false information.

And if the intelligentsia creates its own structures, uniting with the other "pillar" of power (where lies material wealth), then, I believe, power, knowledge and wealth will cease to be as separated as they appear now, and all these three "hypostasies" of power will be able to bring the country out of the impasse it presently finds itself in. Only in mutual cooperation will the intelligentsia and entrepreneurship be able to orient the power structures in the right direction, and they will jointly lead Russia out of the crisis. But nonetheless the "people-loving," but "devoid of organic soil" intellectuals will find themselves expressing their "moral indignation" at the authorities and their compassion for the people.

Yury Furmanov

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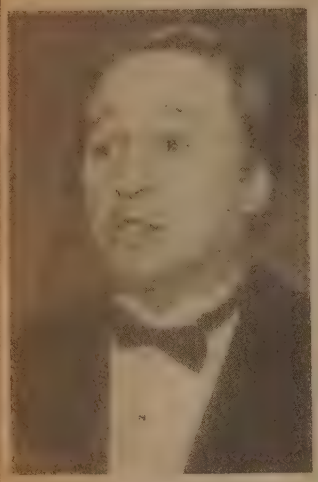


While critics berate **Roman Viktyuk,** theatre authorities like Mark Zakharov admit that "he is not a star and not even the Great Bear, but our Milky Way." Viktyuk continues to amaze people by his inexhaustible energy. The Mossovet Theatre recently staged his "Mystery of the Unborn Child, the Failed Mother, and the Most High Father." Early this month, his theatre showed Edward Albee's play after Vladimir Nabokov's novel "Lolita." Oscar Wilde's "Salomé" is being rehearsed now, and the staging of Thomas Mann's "The Magic Mountain" is in the works.

Viktyuk began his career at the Young Spectator's Theatre in Lvov, where on graduation from the State Institute of Dramatic Art, he worked as an actor and then producer. In subsequent years, he became known to audiences in Kalinin, Vilnius and Kiev. In the mid-1970s, Viktyuk was appointed Artistic Director of Moscow University's Theatre, in which he staged Larissa Petrushevskaya's play "Lessons of Music." This play started a new trend in the Soviet theatre, known as "new wave." It was then that Viktyuk began to work in Moscow's leading theatres. Some time later his style was followed in the United States, Italy and Finland. In 1991, Roman Viktyuk organized a private theatre.

His concept of theatre lies in the realm of music, beauty, refinement, exotic imagination, complete and perfect scenery. The word loses its priority. Style prevails over the content and aesthetics and becomes simply a theatre, often with a slant towards the feminine, even when the roles of women are played by men.

In "Lolita," as staged by Viktyuk, emphasis is laid not on intimate relations between Humbert and Lolita, but on the split personality of the main character, on how Humbert learns that his double lives in him and how he eventually kills this side of himself. As always, the producer shows that words are a mere formality in theatre and a play is merely grounds for being theatrical. The actors of Viktyuk's theatre, with Oleg Isayev and Irina Metlitskaya playing the main parts, once again do a brilliant performance.

■■■

Safarali Kenjayev, 48, former Chairman of the Tajik Parliament,

Glass painting

Fanciful many-coloured patches of light danced on the walls. The light from lamps under Victorian shades were reflected in pictures. The works exhibited in London recently were unusually festive. They were done on glass, and were created by **Nora Musatova,** an artist from Prague.

Nora came from a family in which there were many artists – Victor Borisov-Musatov and Alexei Musatov. Her father Grigory Musatov, also an artist, was compelled to go from Samara abroad aftrer his entire family had been killed in 1919.

The most difficult period in Nora's life came after the August 1968 events, when in the eyes of Czechs she was "a Russian occupationist" and to the new authorities "a relative of a man who fled from the USSR." In those years, however, her works were displayed in the United States and bought by private collectors and galleries in Germany, Holland, Italy and France.

Nora was able not only to create amazing fantastic motifs, but also to revive "unterglasmalerei," a trend in painting which was on the verge of extinction. Icon painters of Bohemia, Hungary, Serbia and Western Ukraine had used this style. However, unlike ancient painters, who emphasized the "holiness" of their works using peculiar techniques, Nora Musatova creates "secular" paintings.

In her youth, Musatova dreamed of becoming an artist. Having children made her give up the idea. Theatre is a recurrently cropping up motif in her works. One sees an old castle painted in a washy greenish colour of Paul Cézanne or a carnival where you can recognize many characters from musicals.

In 1979, Nora Musatova was expelled from the Union of Czechoslovak Artists without the right to solicit for restoring her membership. She was left without a pension and means of subsistence. The director of the Artists Fund advised her to find "more appropriate work." Musatova began to work at a paper mill.

Rare exhibits alternated with bans on holding future ones and "recommendations" of local authorities not to display works by Nora Musatova. In those years, the artist therefore began to illustrate books. She has created illustrations for *The History of the Town of Yaropol* by Yury Shcherbakov, *24 Days in Paradise* by Mikhail Zoshchenko, *Notes on Cuffs* by Mikhail Bulgakov. Russian epics and fairy tales.

made the headlines again. Armed groups loyal to him recently attempted to bring him back to power, this time by armed force. Last month, early in the morning, a column of 40 Ikarus buses packed with armed people from the region bordering on Uzbekistan overran the police posts near Dushanbe and drove to the centre of the city at top speed. The rebels quickly seized the parliament building and the presidential palace. Kenjayev spoke on the local radio. He declared himself chairman of the parliament and acting president. However, his hold on the city lasted less than two days. Units of the 201st motorized rifle division of Russia took the TV centre, airport and railway station under their control, while armed staff members of Tajikistan's Interior Ministry and National Security Committee, together with armed volunteers of the Moslem Revival Party, forced Kenjayev's supporters to lay down their arms. Kenjayev escaped Dushanbe, and criminal proceedings were taken against him.

Several years ago, Safarali Kenjayev was not known to the general public. A lawyer by training, he then held a rather modest post as the Republican Transport Authority Attorney. The political reforms initiated by Gorbachev in 1989 helped Kenjayev's career to snowball. In 1990 he was elected People's Deputy of Tajikistan, and in the autumn of 1991 he led the election campaign for Rakhmon Nabiyev, on whom he later exerted strong influence. After Nabiyev had been elected President of the Republic, Kenjayev, with his assistance, became Chairman of Parliament in December 1991. However, in May 1992, under the pressure from a several-month-long rally, Kenjayev was dismissed from his post, and in August 11, 1992, his resignation was confirmed by a session of the Tajik Parliament.

The rapid and inglorious endeavour of Kenjayev to take Dushanbe shows, according to observers, that his claims to the role of national leader are not well founded. Nonetheless, he has enough forces to control one of Tajikistan's southern regions.

■■■

Ivars Godmanis, Prime Minister of independent Latvia, could be considered an oldtimer among politicians who sprouted up out of the ruins of the USSR. While Lithuania has got used to frequent changes in government and Russia, Ukraine and other former republics of the USSR have changed their governments, Godmanis has retained his post for over two years now.

Ivars Godmanis, 41, is a candidate of physics and mathematics. Before his political career began, he taught at Latvia University. In 1988, he became Deputy Chairman of the political committee of the Latvian Popular Front, and after the Front's victory in the elections, he was appointed Prime Minister on May 16, 1990. Married, with three children, he knows German, English and Russian. Godmanis has motley interests. Before taking up his new office, Ivars went in for athletics, mountain skiing and tennis (being the sixth best player in Latvia). In the 1960s, he was a drummer in a jazz band. Today, owing to a shortage of time, he has only one hobby, that of hunting.

Godmanis is having hard times now. In the last two years, the living standards have declined by a third in Latvia. Production is falling and prices have risen enormously. For the first time in the last 50 years, Latvia has to buy fuel at world prices. There are other headaches for Godmanis – tensions with Russia (the rights of the Russian speaking population, the argument over the Russian troops stationed in Latvia), the extreme integration of the Latvian economy with the Russian one, Latvia's dependence on the supply of Russian oil and gas, and the territorial dispute over the former Abreny District (now the Pytalovo District of the Pskov Region).

It wouldn't be shocking for a premier to resign under such circumstances. But Godmanis holds out. He is confident that he knows the answers to all difficult problems which, in his opinion, have a solution. On the question of boost-starting economic growth, he pins special hopes on Western investment and the building up of national capital. "How the Baltic states will spend the winter is a matter of life and how to build up national capital is a matter of decent life," he says. Though national radicals call for his resignation and demonstrators in Riga's central square demand that he should be given a minimal pension for life as punishment, Ivars Godmanis does not doubt that he will retain his post as Premier, because he does not see an alternative to himself in Latvia.

Ambitious singer

Marina Khlebnikova is already a well-known Russian singer, but becoming a celebrity has thus far escaped her. Marina's current repertoire of songs and dances include three hits, called "Paradise in a hut," "Nostalgia" and "Money." She often appears on TV, even in non-commercial programs.

Marina began her musical career at the Gnesins Music College, where she was in the vocal department under Alexander Gradsky. Subsequently she worked in the "Doctor Jazz" orchestra and sang in a restaurant in the evenings. She then landed in the main role in the film "The sea, the sun and Na-Na," went on concert tours as a solist in the "Na-Na" show group, took part in numerous festivals and concerts, and won a prize at the Yalta-91 competition.

She sings in a shrill, slightly hoarse voice. Such vocals brought fame to Tina Turner and Rod Stewart in the West, as well as to Olga Kormukhina and Masha Rasputina in Russia. In appearance and light and dynamic character, Marina subtly resembles Suzi Quatro.

All this, however, hasn't been enough to become a big star. Marina could change her image a little, hire new managers and record more new numbers. But money is needed for this purpose. She plans entering a pop-music competition in Austria to gain popularity and money. Her plans are to rent a studio and prepare new programmes and albums. If everything goes well, a new star, Marina Khlebnikova, will rise in the music world of Russia.

The Russian experience in Shanghai

They fled from Lenin. They didn't give in to Stalin. They learnt to get on with Hirohito, but Mao got them

The Russian experience in Shanghai, China, lasted only between 1922 and 1949, but it was a unique period for Russian culture, Russian dignity and, probably, what is vaguely called Russian "soul."

They weren't pirates

The Shanghai of that period was the most incongruous city on earth. It was the world's fourth largest – after London, New York and Tokyo – with 4,000,000 population. There was absolutely no democracy there, and there was absolutely no tyranny. Any human being on earth could go to live in the foreign areas of Shanghai. In accordance with the "Unequal Treates" with Manchu China, the International Settlement and its adjoining French Concession were to be governed by foreigners who could impose no passport restrictions on anyone.

The International Settlement was governed by a totally British dominated Shanghai Municipal Council. Its Chairmen were always arrogant, racist Establishment Englishmen. But they were also gentlemen of honour schooled in the British tradition of "fair play." They managed a city of basic justice. For the Chinese majority as well as for the huge foreign colonies, if a man was righteous he was given excellent police protection. If he was a villain, he had his day in court.

Across the wide Avenue Edward VII, the French Concession was ironically governed by the French Governor-General of Indo-China in Hanoi. But his minion in Shanghai was the French Consul-General, and the same human rights as in the Settlement were practiced there.

Into this uniquely privileged twin-city the Russians came by total surprise. Mr. Powell, publisher of the *China Weekly Review*, was awakened one morning to hear that a huge armada of pirates was preparing to attack Shanghai. The mystery fleet was "hove to" at the mouth of the Yang-tse River trying to engage pilots for the perilous passage up the Yang-tse and Whang-poo Rivers to Shanghai.

Whites can't afford being poor

Mr Powell hired a fast boat and hurried to the scene to find no pirates or no threat to Shanghai. The entire fleet of ships was full of White Russians fleeing the Bolsheviks after the American and Japanese intervention forces began to withdraw their protection from the anti-Leninist elements in Vladivostok and elsewhere. The fleet of worn out ships included old 1904 warships, passenger vessels and freighters. Their mainly seasick passengers were not only White Guards but Socialist Revolutionaries, Cossacks and Jews. And all they wanted was safety from Lenin's firing squads.

When Mr. Powell determined the nature of the curious fleet and advised the Shanghai authorities, the British reacted forcefully. At first they wanted to turn their own miniature riverboat navy upon the Russians to drive them away. But their reasons were very curious and unique to Shanghai. The British authorities had nothing against White Russians. The Czar and their own King George V were cousins. British arms had assisted the White Guards, and British troops had occupied many places in the new Soviet Union. What the British were afraid of was **poor** Russians. Never in history had the lords of Shanghai – French of British – allowed the Chinese masses to know that there could be poor white people. Whenever any white man failed in business or ruined himself with drinking or gambling, the Shanghai authorities immediately bought him a steamer ticket to go home and pushed him on the vessels whether he liked it or not. But the spectre of thousands of penniless white-skinned Russians would surely give the Chinese funny ideas. The British didn't want them at any cost.

Mr. Powell warned the British that the Russians had warships and might put up a fight if denied the right to land. And so the British gave in, and the Russian experience in Shanghai commenced.

The Russians may have been poor, but they were not lazy. They immediately became Shanghai's second-class citizens below the rich Europeans and Americans but superior to the third-class Chinese coolies. They took jobs in which Chinese could not be trusted, and they opened small businesses and even organized small manufacturing with Chinese coolie labour. But the beautiful part for the Russians was their total freedom from all the sorrows and evils of their country's tragic history. There was no Czar to dictate to anyone, and all the Cossacks among the exiles could do was go on the concert stage to sing songs of the Don and the Volga. There was no Bolshevik authority of any kind to threaten the exiles with a Cheka or Lenin's favourite "mass shootings." For the first time in their sorrowful history, the Russian Jews were safe from pogroms. They were not even subjected to a place of inferiority let alone a pale. For what Russian nobleman working as a watchman in a Chinese cemetery had any right to look down upon a Russian Jew who had opened a pharmacy.

A snake in the Garden of Eden

The Russians chose the French Concession rather than the International Settlement as their haven, and very soon Avenue Joffre was more Russian than French.

The Russian émigrés who had bought their way onto the refugee ships were superior in education and breeding to the majority Russian peasants and proletariat, and with no fears and no legal limitations they brought all branches of Russian culture to a high peak in Shanghai. Their economic struggle – as officially designated second-class citizens – was intense, but they endured and had plenty of time for the finer things in life.

The Shanghai Russians were achieving a remarkable unity – in which the Jews were more Russian than Jewish – when a snake entered this Garden of Eden. It was the new Soviet Consulate General, and its officers moved into a massive building beside the Garden Bridge in the Shanghai area later to be known as "little Tokyo." The Communists sent a powerful diplomatic force to win the hearts and minds of the new generation of Russian Shanghailanders who were

the sons and daughters of the original exiles. And they succeeded in splitting the Russian colony in two, Communists and Monarchists. The Soviet Consulate had absolutely no police power over ethnic Russians, but they knew how to organize schools and clubs and advantages for the youths. The Soviet Club became one of the fashionable addresses in Shanghai for parties and receptions.

Then the Soviet Consulate started a programme of "rehabilitation" for the second generation Russians in Shanghai. Sons of the old bourgeoisie could claim Soviet passports and enter the Soviet Union to work and live.

However, by that date Russians in Shanghai had become a powerful intellectual force. Most of the hired journalists on all the newspapers were Russians who had learned English as children. Russians also excelled as teachers and artists.

An example of second generation intellectual influence in Shanghai could be found in the editorial office of the daily *China Press*, a pro-Chinese, anti-Japanese paper. All its best writers were Russians. After the dispersal of the Russians in 1949, three Russian China Press reporters became world-known newspapermen. Anatole Austin became Moscow correspondent for the United Press and wrote *The President's War* about Vietnam. Roy Essoyan became head of the Associated Press for all of Asia, and George Leonov became editor of the *Jerusalem Post*.

These successful Russians refused to be fooled about Stalin's Soviet Union, and their influence kept the largest part of the Russian population non-Communist and, when World War II began, pro-Allied.

Communists drank the Nazis down

The highwater mark for Russian civilization in Shanghai came in 1937. By that year the Russian colony floated on the backs of the native Chinese and were on good social terms with the British, French and American masters of the city. The most successful of the Russians had businesses and owned big homes. The least successful drove taxis or served as guards. There were Orthodox churches, Russian schools, Russian theatres. The Russian restaurants along Avenue Joffre were said to be the finest in the world, and all were staffed with Gypsy violinists or Cossack singers. Life looked good in Shanghai, and very few of the second generation emigrated to the Soviet Union.

Then on July 7, 1937, the Japanese Army invaded China and captured the entire China coastline. The Japanese did not dare enter the foreign concessions where the Russians lived, but they completely surrounded them and began to strangle Shanghai. The massive atrocities of the Japanese Army in the Chinese countryside drove a total of one million Chinese peasants from their villages onto the streets of Shanghai where they died of hunger and cold. And by 1941, Shanghai had become not a prosperous and progressive Asian city but a horror no white man could be proud to live in. As many Russian settlers as possible emigrated to other countries when Shanghai became known as "a city for sale."

The British and the Americans in Shanghai were at the mercy of the Japanese, but those Russians who adhered to the Soviet Consulate-General felt safe under the Nazi-Soviet Pact of Friendship and Non-Aggression, and more and more Shanghai Russians proclaimed themselves to be Communists. Shanghai was passing from an Allied stronghold to an Axis-Soviet city friendly to Japan.

On New Year's Eve of 1940-41. Shanghai was a dangerous and desperate place for the Western Allies. Nevertheless, in a feeling of "the last days of Pompeii" all the white people in Shanghai staged a massive New Year's celebration. Out on the streets that night 500 helpless Chinese war refugees would die of hunger and freezing, but in the nightclubs and bars, the sale of alcohol would set a new record.

The biggest social event in all Shanghai on New Year's Eve of 1941, however, was an all-night party at the Soviet Club where the Russian Consul-General would play host to the Nazi Consul-General and a hundred other prominent Germans.

I was the only American or Allied sympathizer to receive an invitation. And it was not as a matter of protocol. My steady Russian girlfriend, Tamara, happened to be the secretary of the Soviet Club's director, and she smuggled me into the lavish party.

The entire evening was a Nazi-Communist love feast. The Soviet Consul repeated Stalin's famous toast "We know how the German people love their Führer," and the Nazis returned with a toast for the eternal life of Josef Stalin.

The party became a typical Russian drinking contest, noisy and wild. But at around three o'clock, the Nazis surrendered. They were all helplessly drunk and falling down while the Russians and the one American helped to carry them to their limousines.

That great party was the death knell of everything that Shanghai had stood for for exactly 100 years since the Opium Wars. Russians and Germans were at each other's throats on the Western Front less than six months later. Then, on December 7, the Japanese took complete charge of Shanghai and threw all the remaining British and Americans into prisons.

From 1941 to 1945 the Russian colony in Shanghai, estimated at 70,000, stayed alive by working for the Japanese. After Japan's surrender the Chinese Nationalists immediately ruled Shanghai, and the Russians were paid back for their collaboration with the Japanese. A total Russian exodus was begun. Russian ladies of social prominence in Shanghai went to Manila to serve as bargirls. Other Russians fled to poor countries to begin life once more.

Nothing in today's Shanghai reminds about the Russians who lived for half a century here

The coming of the Chinese Communists to Shanghai in 1949 sent the last of the once proud Russian colony on its way, and the Russian Shanghai experience was ended.

Today Shanghai is an orderly and well-swept city where one sees only well-fed Chinese faces. There are no dead bodies lying on Nanking Road, but there is no more tea dancing at the Palace Hotel either.

Shanghai no longer recognizes any division into the International Settlement and the French Concession. It is all just Chinese Shanghai. Avenue Joffre now has a Chinese name. The famous Russian restaurants and night clubs were long ago changed into workers' canteens and other Communist institutions. Not a single note of Gypsy music has been heard there for 40 years, and the great tradition of Russian culture, art, food and "soul" is just a distant memory in the history of Shanghai.

Tom Crichton

War on sorcerers

was declared by the Christian Church a thousand years ago. Was it lost?

The history of confrontation between the Church and sorcery abounds in misunderstandings which began with the dispute over who had taught man the weird art of magic. Sorcerers, witches, pagans and other unworthy people prone to cheating and fraudulence say that it was granted to mankind by good gods as a reward. As for the priests of monotheistic religions, they claim that this lamentable event occurred at the wish of the evil ones who intended to thus lead people into temptation and destroy all of them from infants to the elderly.

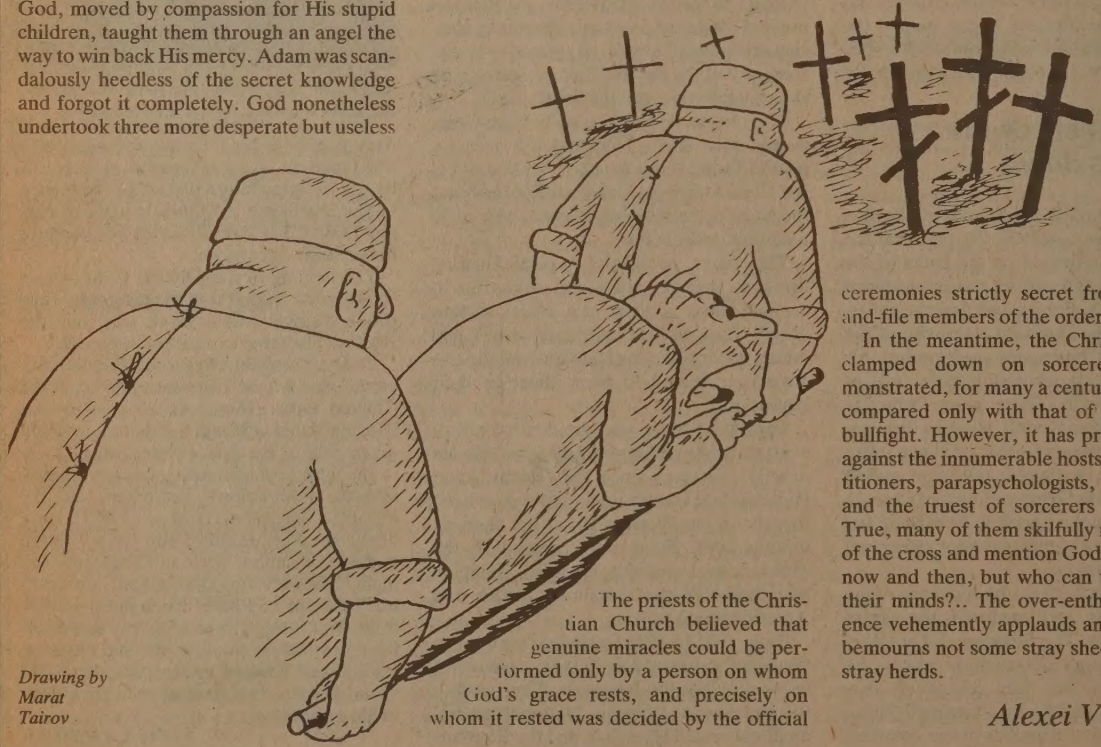
However, there is a monotheistic religion (and consequently, not a demonic one, in contrast to paganism) which holds that the honour of inventing sorcery belongs to none other than God Himself. This religion is Judaism.

According to a myth, the Cabbala, a mystical interpretation of the Torah and a depository of secret lore used by the initiated as a manual for applied magic, was in its time a science known only to God and His angels. After the shameful banishment of Adam and Eve from the Garden of Eden, God, moved by compassion for His stupid children, taught them through an angel the way to win back His mercy. Adam was scandalously heedless of the secret knowledge and forgot it completely. God nonetheless undertook three more desperate but useless attempts to bring His stray sheep back with the help of the Cabbala, but people with stubbornness worthy of a better use would lose its secrets over time.

The Omniscient lost His patience, forsook this hopeless business and, with undue sophistication, limited Himself to teaching Moses the Ten Commandments on Mount Sinai. As for the Cabbala, the cunning Moses kept it for his personal use, and since that time it was taught only to elect ones.

Among Indian, Egyptian, African and Far Eastern heathens magic merged with the worship of God. Their priests exercised their direct duties along with the office of the mightiest and most expert magi.

The attitude towards miracles somewhat changed in the western world with the coming of Christianity. The priests of the new church observed with increasing irritation gentiles shamelessly flying in the air or becoming invisible without a twinge of conscience and passing through walls without causing any special harm to their health.



Drawing by Marat Tairov

The priests of the Christian Church believed that genuine miracles could be performed only by a person on whom God's grace rests, and precisely on whom it rested was decided by the official religious bodies. Which, of course, wasn't quite fair.

Incidentally, Jesus Christ Himself didn't approve of working miracles for miracles' sake. "Evil and godless are the people of this age! You ask me for miracles? No!" he indignantly retorted to the cunning Hebrews who wanted to make sure of His divine nature through the demonstration of all sorts of supranormal phenomena.

In the course of time, miracles which didn't fit into the Christian world view began to be declared false, fraudulent and superstitious. The Church also denied witches and sorcerers the right to exist, and their actions were declared not to be supernatural at all. This discrimination lasted till late 9th century when a decree was enacted finally banning all sorcery. Thus it was officially recognized that witches and wizzards did exist, but they had to be exterminated wherever found. A hundred-odd years later, Pope George IX, published an edict proclaiming a war against sorcerers. The same edict picturesquely described the demonic ceremonies practiced in the sect of Cathari, who overly used large toads, black cats and other detestable creatures, including Satan himself.

Legends and documents, however, tell us about the use of magical rituals in certain Christian orders as well, for instance by Jesuits, not to mention the Knights Templars, who are often regarded as a satanic order. Certainly the holy fathers kept these ceremonies strictly secret from the rank-and-file members of the order.

In the meantime, the Christian Church clamped down on sorcerers and demonstrated, for many a century, a firmness compared only with that of picadors at a bullfight. However, it has proved helpless against the innumerable hosts of ESR practitioners, parapsychologists, magi, fairies and the truest of sorcerers and witches. True, many of them skilfully make the sign of the cross and mention God's name every now and then, but who can tell what's on their minds?.. The over-enthusiastic audience vehemently applauds and the Church bemourns not some stray sheep, but entire stray herds.

Alexei Vinokurov

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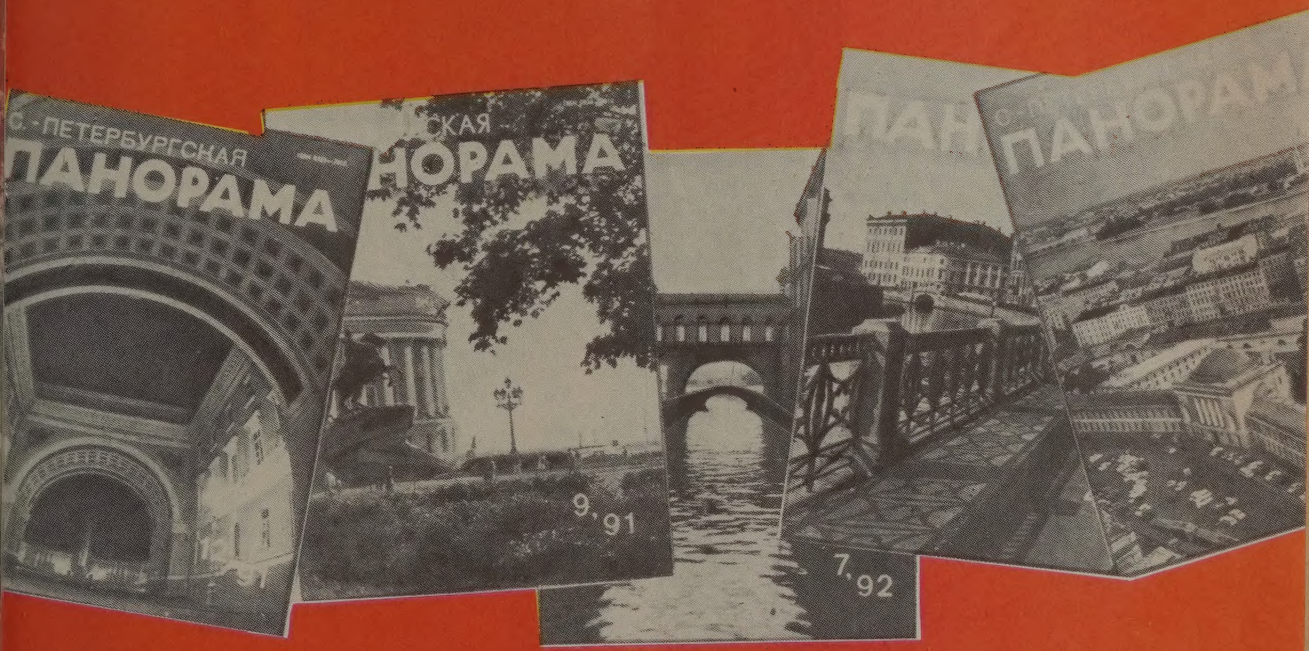

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